

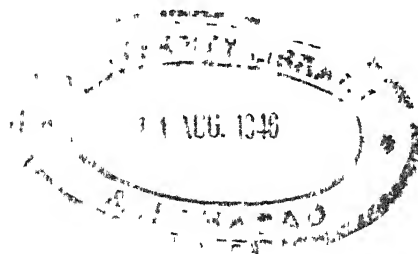
The Great Wall was built to protect the Nation from the raids of savage tribes. Now China has a living wall in which every man is a brick.

TWO PACIFIC DEMOCRACIES

CHINA AND AUSTRALIA

BY
W. Y. TSAO

INTRODUCTION BY
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Professor of History in the University of Melbourne



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The following verses were specially written for this book by
Gillespie Douglas, in honour of the heroic Chinese troops who
have laid down their lives in the sacred cause of liberty and
humanity.

DEDICATED
TO
HEROIC CHINESE TROOPS
WHO FELL IN BATTLE
1937-1941

*Hush for the dead: Methinks I hear their spirits tread
As marching muffled feet Hush for the noble dead.
Inspired to fight for God and liberty, they shed
Their blood in sacrifice: In reverence bow thine head.*

.

*The fires of war—the ruddy clouds—the brimstone lake—
The seething battlefields, where human bloodhounds slake
Their thirst for human blood, have passed, but memory
Recalls our Chinese dead who fought for Liberty.*

*They shed their precious blood in China's cause, to fire
And weld an Ancient Nation's life, and to inspire
A patriotic zeal and love, that she should be
An Empire, trusted as a great democracy.*

*On battle-fields of death, the blood-stained Mooou Tan grows
To mark their graves; and in remembrance China shows
The Nation's love—a hallowed day—to mourn—to weep,
And yet rejoice in memory of those who sleep.*

.

*In stillness let the Nation's life be hushed in prayer.
Hush for the dead: They rest beyond For God is there.*

.

GILLESPIE DOUGLAS

FOREWORD

IN our struggle to preserve human decency and to make the world safe for democracy, the importance of achieving international understanding in every respect can never be over-emphasized. Since my arrival in Australia, I have sedulously striven to transmute the traditional cordial goodwill between our two peoples into a substantial tie. The idea I cherish above all others is the establishment of a democratic triangle from Chungking to Washington, Washington to Canberra, and Canberra to Chungking. A strong and independent China would be an asset to the world, but the existence of such a triangle would definitely help to solve the thorny Pacific problem.

I am glad that my friend and colleague, Mr. W. Y. Tsao, Vice-Consul for China in Melbourne, has found time to write this book *Two Pacific Democracies, China and Australia*, the object of which is to make a valid personal contribution to the study of our two countries and I feel privileged to have the opportunity to include a few words in such an important work.

Mr. Tsao was brought up near Hangchow, China, known throughout the world for its beautiful West Lake; and he graduated from the National Central University, Nanking, China, with honours and the degree of LL.B. Mr. Tsao's previous writings have won him widespread recognition as a philosophic scholar and a close and keen observer of international

affairs. This book will undoubtedly enhance his reputation.

For some years Mr. Tsao and I have endeavoured to win our Australian friends to recognize the profound truth contained in the statement made forty years ago by the great American statesman, John Hay: 'Whoever understands China socially, culturally, religiously, economically and politically holds the key to the Pacific in the next five hundred years.' It is equally our aim to induce our Chinese friends to cease regarding Australia as merely a land where good wool and wheat are produced, but to direct their attention to the fact that Australia and China are essentially alike in this, that both countries are in the making as modern nations and have been so since the beginning of the 20th century.

A realization of the importance of the geographical division of labour would, of course, bring nations together, but a closer understanding of cultural aspects is indispensable to the safeguarding of the civilization for which our forefathers have laboured for centuries.

The efforts of China in the present war of resistance against aggression and struggle for national reconstruction have revealed to the world that China is a nation with a soul and that a sense of justice and love of peace are the predominant national traits of the Chinese people. While endeavouring to preserve our national honour, integrity, freedom and sovereignty, we have not for one moment neglected the rights of others and the lofty ideal of international co-operation. The China of to-day is being

reconstructed on the principle of *San Min Chu I*—The Three Principles of the People—of the Father of the Republic. Every care is being taken, nevertheless, to prevent China falling into the obvious but unfortunate defects of modern democracies. Our author, Mr. Tsao, rightly emphasizes that it is necessary for nations, like individuals, to keep pace with time, but that it is unnecessary for them to accomplish their modernization by adopting the manners and methods of medieval bandit Powers. For world reconstruction, for the creation of a better order than the order on which the aggressor nations have set their hearts, our efforts should be guided by experience rather than evil temptation.

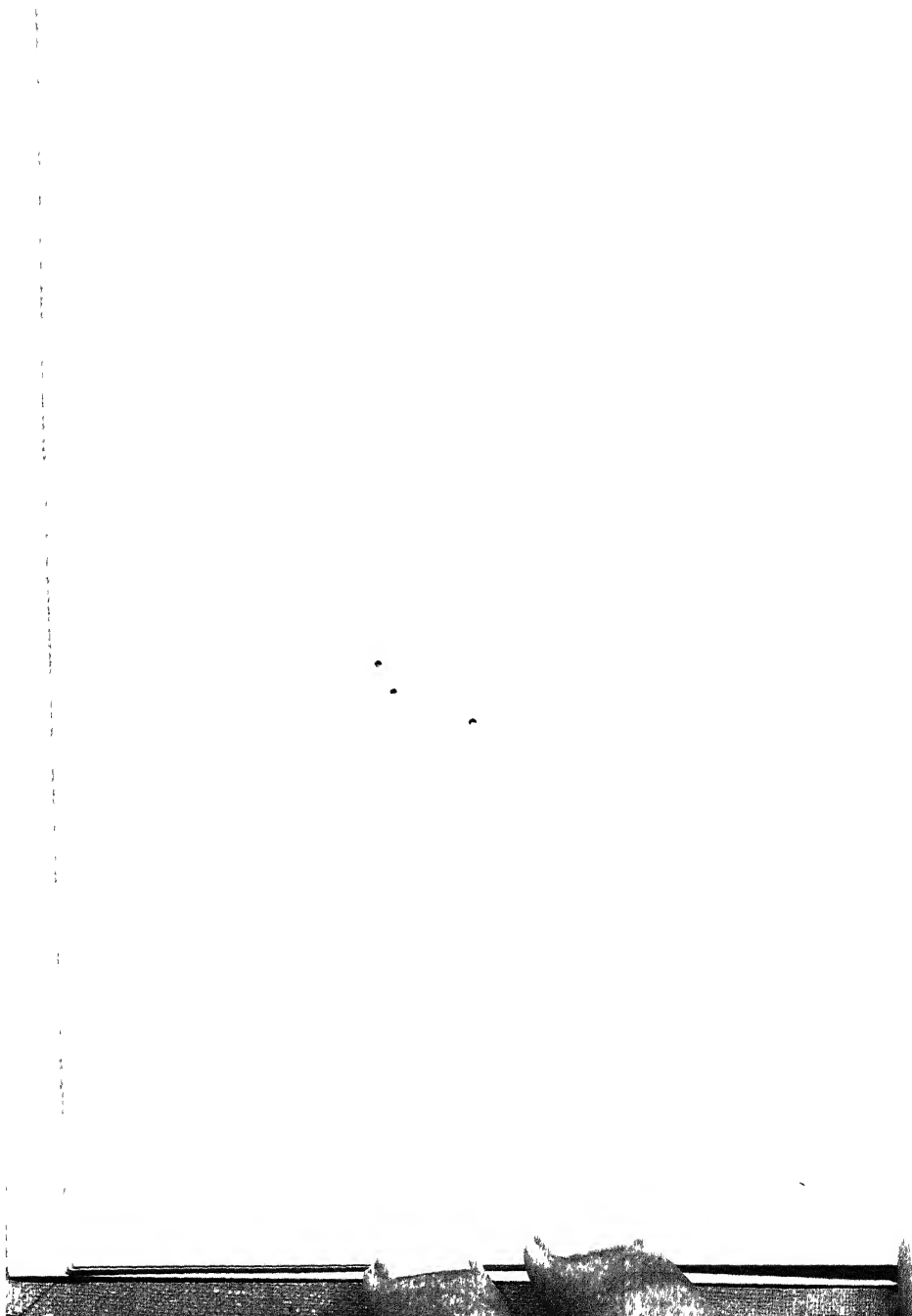
I am sure this work of Mr. Tsao—*Two Pacific Democracies, China and Australia*—will interest students of Pacific problems, and assist in strengthening the bonds of mutual understanding between our two countries.

CHUN JIEN PAO,
Chinese Consul-General.

Sydney, Australia,
July, 1941.

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INTRODUCTION

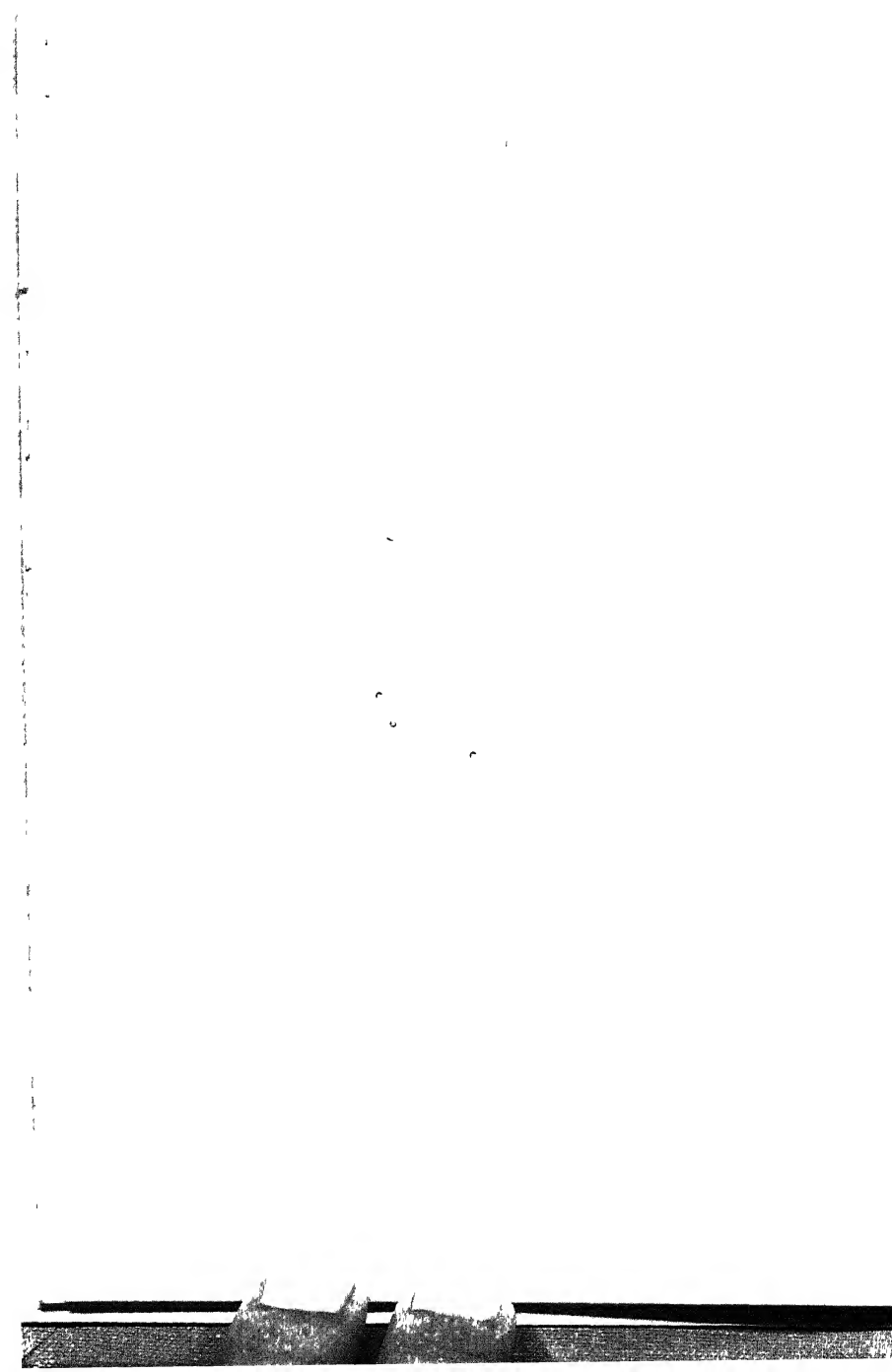
IN his *Chinese Renaissance*, Dr. Hu Shih examines the reactions of Japan and China to the impact of the West. At first glance, that of the Japanese appears amazingly quick, that of the Chinese slow and tormented. By reference to their different histories and circumstances, Dr. Hu Shih explains why this was necessarily so. But the long chaotic dislocation of Chinese life does not fill him with despair.

‘What pessimistic observers have lamented,’ he writes, ‘as the collapse of Chinese civilization, is exactly the necessary undermining and erosion without which there could not have been the rejuvenation of an old civilization. Slowly, quietly, but unmistakably, the Chinese Renaissance is becoming a reality. The product of this rebirth looks suspiciously occidental. But, scratch its surface and you will find that the stuff of which it is made is essentially the Chinese bedrock which much weathering and corrosion have only made stand out more clearly—the humanistic and rationalistic China resurrected by the touch of the scientific and democratic civilization of the new world.’

This fusion of Chinese tradition and Western influence is of importance to the outside world. For what is happening in China is not simply a taking over of Western techniques. The whole of Chinese life is being affected—the family, the total economic and social structure, political institutions, beliefs, Chinese relations with the outside world.



PART I
THE CHINESE CONCEPTION



CHAPTER I

THE CHINESE FLAG

*'Heaven lasts long, and Earth abides
What is the secret of their durability?
Is it not because they do not live for themselves
That they can live so long?*

*'Therefore, the Sage wants to remain behind,
But finds himself at the head of others,
Reckons himself out,
But finds himself safe and secure.
Is it not because they are selfless
That their Self is realized?'*

LAO TZŪ

A NATIONAL flag symbolizes by its colours, devices and embellishments, the ideals of the people over whose territories, ships and embassies it floats; the honour and reverence paid to it are the expressions of their unity of purpose and their devotion to those ideals and to their country's interests.

The National Flag of the Republic of China is naturally no exception. From a white sun in its upper left corner emanate in a geometrical pattern, twelve white rays. This portion of the flag is blue, and occupies one quarter of its whole surface, the rest of the field being red. To the Chinese it stands for 'The White Sun shining from the Blue Sky upon a Crimson Earth.'

While the Manchu dynasty ruled China, from 1644 until 1911, China's flag was a yellow triangular banner bearing an embroidered dragon, but it was regarded as the emblem of the Imperial Court, and

had no other significance for the Chinese people themselves.

When, after the Sino-French war of 1885, Dr. Sun Yat-sen, the progenitor and founder of the Republic, began the revolutionary movement which overthrew the Manchu dynasty, his comrade, Mr. Loh Hao-tung, one of the earliest martyrs in the cause of revolution, designed the present flag.

Upholding this flag as the inspiration of the revolution, Dr. Sun for forty years made many bloody attempts to secure a measure of liberty and equality for the Chinese people. After his death in 1925, Generalissimo Chiang Kai-shek, raising this same glorious banner, led his northern expedition and was successful in uniting the Chinese people under one central government.

Mr. Loh Hao-tung conceived the White Sun in the Blue Sky with the Red Earth to be symbolic of Liberty, Equality and Fraternity. In this connection it is interesting to mention the principles of the Kuo Min Tang or the Nationalist Party of China as embodied in the 'San Min Chu I'—the Three Principles of the People—which are considered to be Dr. Sun's greatest teachings. The Three Principles of the People involve the same ideas as those which are symbolized by our National Flag. They consist of the three elements—Nationalism, Popular Sovereignty or Democracy, and the People's Livelihood, or, as Americans would say: 'Government of the people, by the people, for the people.'

The meaning of the Principle of Nationalism is the achievement of independence and equality not only



HIS EXCELLENCY PRESIDENT LIN SEN
President of the National Government of the Republic
of China. About ten years ago His Excellency
travelled extensively throughout Australasia



A Government building in Hangkow under Japanese occupation

for ourselves but also for every nation in the world. The Principle of Democracy is to secure for the people four political rights: (a) universal and equal franchise; (b) impeachment of corruption and the recall of inefficient officers or representatives; (c) initiative; and (d) referendum; so that an effective and responsible government can be obtained. The Principle of Livelihood is to obtain social well-being for the people so that the four necessities of life—food, clothing, lodging, and transport—shall be available to every member of the community. So much for the revolutionary doctrines—the ideals represented in the flag naturally coincide with them.

The Crimson Field, indicating the Principle of Nationalism, is a continual reminder to the people of the blood and sacrifice it was necessary to expend during our long uphill fight to attain the freedom and equality which we now enjoy, and it admonishes us to strive continually to retain these privileges, always remembering that it is better to die a free man than to live as a slave. Thus may our deeds and actions be constantly before those who will follow us. The colour also reminds us of the fraternity and equality of all mankind, for, as our noble sage, Confucius, said five centuries before Christ: 'Within the boundaries of the four seas, all men are brothers,' and regardless of the pigmentation of the skin, the blood which flows in the veins of the entire human race is of one crimson hue.

The Blue quarter—the natural blue of the sky—is a colour of justice, peace, and equality. Therefore it represents the Principle of Democracy, the aim of

which is to achieve full political equality for the people.

The White Sun, embodying the idea of the people's livelihood, represents the font of life and the source of all that is essential to the sustenance of the human race. It is also the symbol of equality, for the sun sheds its benign rays as brightly upon the humble dwellings of the poor as upon the mansions of the rich and palaces of monarchs. As it is the hub of the universe, so is the Principle of the People's Livelihood the hub of all advanced political thought.

The Sun of the Chinese flag is white, to clearly differentiate it from the red Sun on the ensign of the Japanese Empire. The former connotes life and brightness; the latter represents blood and destruction. When shown in a blue sky, as in our flag, it is truly the emblem of tranquillity and peace, and as the sun's rays traverse the world, so it is hoped, will enlightenment, peace, right, and justice follow our flag. The rays emanating from the Sun on our emblem relate to the universal method of measuring time. Twelve being the beginning of the day and the close of the night, and vice-versa, so the twelve rays symbolize the commencement of all time, and demonstrate to our people that the brightness that reigns in our glorious country is eternal.

Thus the National Flag of the Republic of China symbolizes the high ideals of the people, and illustrates the political and social life of the country, as summarized hereunder:

RED—Sacrifice—Liberty of the People—The
Principle of Nationalism;

BLUE—Justice—Equality—The Principle of the
People's Sovereignty or Democracy;

WHITE—Enlightenment—Love for the People
—The Principle of Livelihood.

CHAPTER II

A CHAMPION OF DEMOCRACY

'The people are the root of a country, when the root is firm the country is tranquil'
SHU CHING—*'The Book of History'*

THE world of yesterday has collapsed in ruins. The destruction suffered by the vanquished and belligerent powers will take scores of years to restore. Whatever might be the outcome of the present struggle between democratic nations and totalitarian states, the world of to-morrow will not be the same as it has been hitherto.

The totalitarian Powers claim that they are fighting for the establishment of New Order in Europe, and the same in Asia and the Pacific. It is as clear as crystal that their so-called 'New Order' is nothing but military domination and subjugation of the free peoples under the jackboots of Nazism, Fascism and Japanese Militarism. No people with a sense of international decency will tolerate such an Order, for it would debase human civilization and turn back the clock to the dark ages.

Nevertheless, the world must change. The Old Order must be altered if we want to make the world a happy place. As a physician must examine the symptoms of the patient, so also must we study the Old Order on its merits before we venture to suggest any New Order.

Since the latter part of the eighteenth century we have made tremendous strides in the development of



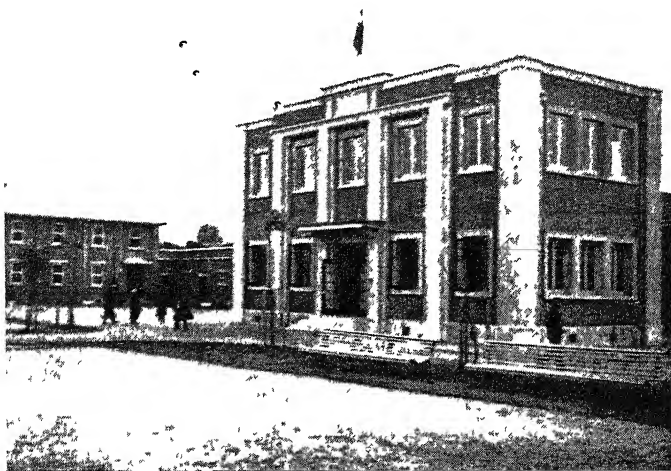
GENERALISSIMO CHIANG KAI-SHEK

who, with Mr Winston Churchill, Mr Franklin Roosevelt,
and M Joseph Stalin, is one of the four great leaders who will
save the world from destruction



CHINESE DEFENCE WORKS

Ancient city walls have been reinforced as a defence against the enemy



A laboratory of the National Central University, Nanking, where the author spent some of his university days, now being demolished by the Japanese

democratic institutions. But what have we achieved in this direction? Democracy is supposed to be the government of the people by the people and for the people. The people have been given the right to vote, voluntarily or compulsorily, in democratic countries, and in totalitarian states as well. But for whom and how shall they vote? Any student of political science will be able to apprehend the fact that in totalitarian States the people vote only in accordance with the instruction of the Party, as only one Party is allowed to exist, while in democratic countries the representative system of government is under the control of politicians who always play party politics for the interest of Party, or some section of the community it represents, without regard to the welfare of the people as a whole.

Furthermore, the democracy of to-day tolerates free competition, private ownership, and profit-seeking for selfish purposes as bases of the economic institution. Theoretically this may be defensible on the principle of equality, though when competition has unequal starting points there is shameful inequality. How could a bare-armed person fight against a man with a machine-gun? Yet, in a modern democracy the proletarian is left to compete with the landlord or the manufacturer.

When I was a University student, I wrote an essay about democracy in which I compared modern democracy with a safe containing treasure, which nominally belonged to the whole people, although the key of the safe was in the hands of a few. This state of things is merely 'Pseudo-democracy.'

Internationally, we find in the old world order a great menace to the security of mankind, and that menace is Power Politics or Imperialism, which is generated from narrow nationalism.

The adoption of the misguided view that one's own country can do no wrong, and of the popular slogan, 'My Country, Right or Wrong,' would unavoidably result in narrow Nationalism. Racial egotism and the superiority complex would lead to racial prejudice and hinder the recognition of the brotherhood and fellowship of mankind. The materialistic aspect of narrow Nationalism is seen in the functioning in many parts of the world of the theory of economic nationalism, another name for which is self-sufficiency. While it may be good from one aspect for a nation to maintain a one-sided, favourable trade balance, yet from the wider viewpoint it is calamitous; for, if all countries should continue to insist upon receiving special favours while offering nothing reciprocal, there could be no return to sanity in international political relations, which are influenced in the main by economic factors. There has been a general tendency amongst the world powers to protect their economic interest by armed forces, giving rise to the vicious national strategy of adopting war as the chief instrument of national policy.

There would be no end to international wars if the main causes of international conflicts were permitted to exist. There would be no end to human suffering if the injustice in political, economic and social institutions could not be eliminated.

The New Order should, after this great struggle, emerge to ensure a happy livelihood for the people. Antagonism, hatred, and conflicts, social and economical, must be brought to an end. There should be no class distinction. There should be, always, united efforts for the development of human civilization. In order to demonstrate that this high idea of 'New Order' is a reality and not a hallucination, I shall give an account of the war aim for which the Chinese Nation is fighting most gallantly.

We are fighting for the realization of San Min Chu I, the principles symbolized in the design and colours of the Chinese National Flag, already described, which is rendered into English as the Three Principles of the People—Nationalism, Democracy, and Livelihood—the teachings of Dr. Sun Yat-sen, Father of the Republic, and the aims of our national revolution.

The Chinese Nationalism, as advocated by Dr. Sun, differs from narrow nationalism or imperialism in that it adheres to the principle of equality and co-operation amongst nations, with world tranquillity and international happiness as its ultimate goal.

In a famous speech, Dr. Sun said: 'The road which the Great Powers are travelling to-day leads to the destruction of other States. If China, when she becomes strong, intends to crush other countries, imitates the Imperialism of the Great Powers, and follows on their road, she will ultimately fall into their blunder. Only by acting on the Chinese proverb, "Rescue the weak and lift the fallen," will China be carrying out the divine obligation of her

nation. Let us to-day, before China's development begins, pledge ourselves to undertake this great mission. Then we shall be able, as Confucius said, to govern the State and pacify the world.'

While on the Principle of Democracy, I should mention the clear demarcation made by Dr. Sun between 'political powers' and 'governmental powers,' the former being the powers of the people, the latter those of the government. The 'political powers' are four in number: election, recall, initiative and referendum. The 'governmental powers' are five in number: executive, legislative, judicial, censorial and examinatorial. The people must have the power to control the government which, in turn should have strength to rule. Thus, there will always be a state of political equilibrium between liberty and efficiency.

By the last of his three principles—the People's Livelihood—Dr. Sun meant that the people of the whole nation must have a share in the profits of capital, and should not be injured by capital. In other words, every member of the State should be contented and happy, free from the suffering caused by the unequal distribution of wealth and property. Dr. Sun pointed out that as the countries of the world have varying conditions and varying degrees of capitalistic development, there must necessarily follow different methods of dealing with the livelihood problem. As a means of achieving the Principle of Livelihood, Dr. Sun suggested the equalization of land ownership and the regulation of capital. That the crystalization of Dr. Sun's economic theory into actual practice has been effected in China can be

gauged by the Draft Constitution of the Republic of China, which provides the following articles regarding the land problem.

Article 117

The land within the territorial limits of the Republic of China belongs to the people as a whole. Any part thereof the ownership of which has been lawfully acquired by an individual or individuals, shall be protected by, and be subject to the restrictions of law.

The State may, in accordance with law, tax or expropriate land on the basis of the value declared by the owner or assessed by the Government.

Article 118

All subterranean minerals and natural forces which are economically usable for public benefit, belong to the State and shall not be affected by private ownership of the land.

Article 119

The unearned increment shall be taxed by means of a land-value-increment tax and devoted to public benefit.

Article 120

In readjusting the distribution of land, the State shall be guided by the principle of aiding and protecting the land-owning farmers and the land-utilising owners.

Dr. Sun explains in his *The Three Principles of the People*, that in the reformation of economic life and institutions we must base our methods not upon abstruse theories nor upon empty learning, but upon facts—not facts peculiar to foreign countries, but facts observable in China. There are no great rich amongst us, the only differences being between the

relatively poor and the extremely poor. What we need for the regulation of capital in China to-day, is not to check its growth, but on the contrary to build it up, and to see that it is ready for the welfare of the Nation as a whole. Money was capital in the commercial age, but machinery is capital in the industrial age. The State should lead in business enterprises, and set up all kinds of productive machinery which will be the property of the State. Permit me to quote again some of the articles provided in the Draft Constitution as follows:—

Article 121

The State may, in accordance with law, regulate private wealth and enterprises when such wealth and enterprises are considered detrimental to the balanced development of national economic life.

Article 123

All public utilities and enterprises of a monopolistic nature shall be operated by the State; except in case of necessity when the State may specially permit private operation.

Article 126

In order to promote agricultural development and welfare of the farming population, the State shall improve rural economic and living conditions and increase farming efficiency by employment of scientific farming.

The State may regulate the production and distribution of agricultural products in kind and quantity.

It is obvious that with the satisfactory solution of the problems of land and capital the people's livelihood can be safeguarded and general happiness can be obtained.

I have the deep conviction that an ideal order must be an order for the betterment of human life and for the advancement of human civilization. This ideal order of San Min Chu I is not new, but is a heritage of Confucianism. I would like to conclude with the great teaching of the noble Sage of the Chinese, who said:

When the Great Way prevails, all under Heaven is for all. Select the virtuous and the able in the Government. Observe the principle of faithfulness and cultivate cordiality in the general intercourse with mankind. Therefore, one shall not only reverence one's own parents and love one's own children, but do the same to those of others. The old shall die in peace, the young shall render service for the welfare of the community. The infant shall be well cared for and grow. Widowers, widows, orphans and the invalid shall be under the protection of the Government. The man shall, in accordance with his ability, have his share in the general development of the community, and the woman shall have happy married life. It is deplorable that the natural wealth should be discarded and unexploited, yet it does not follow that the wealth shall be possessed by any private person. It is deplorable that human efforts are not well utilized, yet the object of these efforts shall not be for selfish interest. In a community as such, tricks and intrigues shall be obliterated and robbery, larceny and all kinds of grossness shall be eliminated. Gates would be unnecessary to be bolted, for no one would like to rob the other. It is called 'The Great Unity.'

CHAPTER III

NATIONAL GREATNESS

'It is not the exterior and interior walls being incomplete, and the supply of weapons offensive and defensive not being large, which constitutes the calamity of a kingdom. It is not the cultivable area not being extended, and stores and wealth not being accumulated, which occasions the ruin of a kingdom. When superiors do not observe the rules of propriety, and inferiors do not learn and follow the rules, then seditious people spring up, and that kingdom will perish in no time'

MENCIUS

IN the Northern Hemisphere, five thousand miles from Australia, there lies an ancient country, eleven million square kilometres in area with a population of four hundred and fifty millions, and having four thousand years of authentic history as its background. This country, by the outside world, has often been regarded as mysterious. Fantastic versions of life in the Celestial Empire either grossly caricatured the reality or else misrepresented the national psychology, resulting in such misunderstanding as inevitably widens the gap between Nations.

Because Australia and China are Pacific countries, it is important that the relations between them, political and economical, should be improved by the removal of such misconceptions and misrepresentations.

In order to understand a Nation, we must study its characteristics. From time immemorial, China has been a peace-loving and non-aggressive country. It has never adopted war as an instrument of national policy. Even at the height of National Power, as

during the Han and the Tang dynasties, there were scarcely any military campaigns against neighbouring countries. Our neighbours sent envoys to submit tribute and offer homage to Imperial China—not through fear of invasion or domination, but because of admiration for the superior civilization of China. As individuals, the Chinese are natural lovers of peace. In the settlement of personal disputes, it is always advisable to view matters in the light of reason and fellowship; it is a disgrace to resort to law, and the use of force is not to be considered. It is considered that vulgar people only are without a sense of reason. The Chinese people really enjoy the beauty of the universe. It will be observed that in Chinese paintings the subject is invariably one of landscape. To a Chinese, nature and landscape represent real peace and harmony.

Absorption in the ideal of peace has enabled the Chinese to evolve a philosophy of tolerance. They are able to endure the severest hardship in the face of adversity, always looking forward to better times or conditions. Foreign observers have been surprised to find wounded Chinese soldiers suffering the greatest agony without a murmur. Nationally, the teaching of tolerance has made possible the practice of different religions and the existence of different schools of thought without the creation of antagonism or sectarianism. Although, in general, the Chinese adhere to the great moral teachings of Confucius, they have also accepted Taoism, Buddhism, Moham-medanism, and, since the nineteenth century, Christianity. In religious and philosophical respects, China

may be said to resemble a melting pot, in which the highest ideals of our foremost teachers amalgamate.

Another classic Chinese virtue is moderation—aptly termed 'The Golden Mean.' It is the teaching of Confucius that one should guide one's passion in the middle course. According to this teaching, irritation, gaiety, sensuality and morbidity are objectionable. We must be always on our guard lest an excess of enjoyment should be followed by a reversed state of affairs. In applying this doctrine to social and political spheres, we find, the Chinese seldom go to extremes. Social evolution, in contradistinction to revolution, has made life more stable and happier than abrupt methods which achieve reforms by force. Those outstanding characteristics of the Chinese nation and people—love of peace, tolerance and moderation—have made the Chinese incline more to the spiritual than to the material side of life.

Great scholars of olden days attired themselves in shabby garments, and contented their appetite with a bowl of rice. Many of them refused to become government officials or accept exalted civil positions when summoned by the Emperor. One legend tells of a scholar by the name of Hsu Yu, who was approached by Emperor Yao and requested to take the latter's place. In reply he washed his ears with some water, complaining that the Emperor's words soiled his ears. Ordinary people worked industriously all the year round except on New Year's Day. Material pleasure found little place in their lives. It is also a Chinese idea adopted from the Buddhists that the human soul can never perish.



A typical woman's life in the country, calm, industrious and pleasant



A WAR SERVICE VOLUNTEER

In the face of foreign invasion girls are taught, instead of handspinning, the art of defence

Therefore, a Chinese deems it unwise to squander his substance during his life-time, lest in a reincarnation he may be attended with misfortune.

Every Chinese is taught that in framing a judgment of personality, position and birth do not necessarily count. On this basic principle, one has to cultivate personal virtue, eliminate vices, and apply the teachings of the sages to daily existence. This has created a solid foundation for the growth of democracy in China. Every one has an opportunity for self-development. In China there has never been such a thing as caste. People are divided according to their professions. Roughly speaking, we have four classes: scholars, farmers, artisans, and merchants. We place scholars first because they rule the people; farmers second, because they produce food-stuffs and the staff of life; artisans third, because they manufacture the necessities of life; and merchants last, because they neither produce nor manufacture, but obtain their livelihood by exploiting the energy of others.

For hundreds of years China has adopted civil service examination as a proper path towards officialdom. Anyone, irrespective of birth, position, or age, has been allowed to participate in this examination system. There has been no discrimination permitted by social and political privileges; equality of right and opportunity has long existed in that ancient country. Democratic ideas flourished uninterruptedly even in the days of Imperial China.

Last but not least among the characteristics of our nation, I am proud to mention the spirit of self-

sacrifice. We classify human relations into five categories: First, relations between a citizen and the Nation; secondly, those between parents and children; thirdly, those between wife and husband; fourthly, those between brothers and sisters; and lastly, those between friends. All these relations can be combined in one supreme idea, namely love and self-sacrifice. We put love to the Nation first because thus we can serve in the widest field and fulfil the highest duties. We place devotion to parents second, because they are the source of our life, through whose care we attain maturity. Marital faithfulness is placed third, because without domestic harmony one cannot be successful in life. By love between brothers and sisters and between friends we can get and give mutual assistance.

Foreign visitors to China are surprised to find that ordinary Chinese earning but modest incomes often support a number of relatives and friends without reluctance, and during the present war, thousands of young men and women are devoting their lives to national defence, fighting gallantly on the battlefield or serving behind the lines valiantly and without reserve.

The characteristics that I have enumerated have already made China great, and our history glorious. A militaristic people can only occupy territory; it can never conquer a nation. China, with her superior qualities and characteristics, can never be subjugated. On the contrary, by virtue of such qualities and characteristics, she will emerge triumphantly a nation greater even than she has been hitherto.

CHAPTER IV

SOCIAL ORDER

'What a man dislikes in his superiors, let him not display in the treatment of his inferiors, what he dislikes in inferiors, let him not display in the service of his superiors, what he hates in those who are before him, let him not therewith precede those who are behind him, what he hates in those who are behind him, let him not therewith follow those who are before him, what he hates to receive on the right, let him not bestow on the left, what he hates to receive on the left, let him not bestow on the right:—this is what is called "The principle with which, as with a measuring square, to regulate one's conduct"'

THE GREAT LEARNING

|| AO TZU, who is thought to have been born about 604 B.C., was a profound thinker and ethical teacher. He is the founder of Taoist philosophy, and had a strong conviction that the state of mankind before the organization of government was an ideal state of primitive freedom and universal happiness. He opposed government by law, and held in contempt the sages, or wise men, who tried to rule and interfere with the people. He even went so far as to declare that there would be no end to robbery if sages did not die. Another school of thought held the obviously opposite theory of Legalism. Shyun Tzu, who, according to Dr. Hu Shih, lived from about 305 to 235 B.C., developed the doctrine that human nature was inherently wicked, a theory which was used as a philosophical basis for Legalism. Shyun Tzu was of opinion that human beings possess inborn vices such as selfishness and avarice, and that from this results the grasping of profit from others and the exploiting

of those weaker than themselves. Accordingly, the state of nature was deplorable, and the teaching of propriety and the practice of law indispensable to good government and social order.

In the West, two other schools of thought postulated a state of nature in pre-historical times. Thomas Hobbes, the English philosopher, who lived from 1588 to 1679, believed that because of the competition amongst mankind the state of nature was one of anarchy and of violence, with every man's hand against his neighbour. During that stage the life of man, according to Hobbes, was 'solitary, poor, nasty, brutish, short,' and ideas of right and justice were unknown. Therefore, he established his hypothesis that political society was artificial, created by a social contract founded on the desire for security. Law, according to him, was the result of the general desire for self-preservation.

Jean Jacques Rousseau, a French philosopher of a century later, deduced his theory of social contract from the conception of a pre-political state of nature in which men were equal, self-sufficient and contented. It was Rousseau's contention that the division of labour that followed the development of arts and the rise of private property created the distinction between rich and poor, and broke down the happy natural condition of mankind, necessitating the creation of the body politic and social contract.

There is striking resemblance between the theories of the Chinese philosophers who belonged to the school of Legalism and those of Hobbes; and the state of nature visualized by both Lao Tzu and Rousseau

is very similar. But whereas Lao Tzu opposed governmental interference and advocated a return to nature, both the Chinese philosophers of the school of Legalism and the Western philosophers who maintained the doctrine of social contract, agreed that laws were essential to obtain good social order and security, regardless of what the real state of nature might have been. That the state of nature was happy and self-contented is a mere hallucination and that there were disturbances, evils, chaos, and all kinds of grossness much more probable. The necessity of enforcing law was now generally accepted.

By strict enforcement of law, rulers of all times were able to maintain their authority and govern the people. It is, however, undoubtedly true that by law alone, happiness and justice in their real sense would be far from being realized. In the past, the rulers of nations have not always been keenly anxious for the well-being of the people. Hence, laws too often were but instruments guaranteeing the interests of the rulers themselves. Then, by reason of the fact that strict equality at the bar of justice could not be obtained, grievances and complaints were inevitable amongst the mass of the people. This is in accord with the Chinese saying: 'While one is condemned to death for stealing a hook, the other who robs the country is made a duke.' With such inequality, how could it be possible that law would command respect? Again, people although right in law were not necessarily morally right. In order to make people decent, upright men and women, the mere threatening of legal punishment is not sufficient. Punishment by

law is but one of society's sanctions. It is only a surgical operation, but not a public cleansing. Confucius said: 'In hearing litigation I am not unlike any others. What is most essential is to cause the people to have no litigation.' This is the equivalent of the saying, 'Prevention is better than cure.'

In view of the limited function of law the rulers or wise men of olden times utilised another force for the guidance of the people. That is religion. The function of religion is, primarily, to furnish man with a means of contact with the supernatural. By the spreading of religious belief, the rulers secured and are still securing the following achievements. In the first place, religion contributes to the prevention of social evils, while law is only a curative means. People who refrain from robbing each other are not actuated solely by fear of punishment by a court, but principally by the fear of offending their own conscience. Religion appeals to human conscience and penetrates deeply into it. In the second place, religion teaches a solid dogma of cause-and-effect. 'For that which a man soweth that shall he also reap,' is a forceful warning to mankind. 'Evil conduct will lead to the graveyard of suffering.' 'Doing good is a highway to Heaven.' Buddhism gives its believers the warning that if you sow the seeds of evil conduct in the present incarnation you may become a beast or, even worse, an insect, in your next incarnation! In the third place, religion reveals the way to immortality. It is a psychological fact that nine out of every ten persons are afraid of death. Religion makes use of this weakness in human

nature and suggests a means or channel of communication between the supernatural and mankind, through which the souls of men may secure immortality.

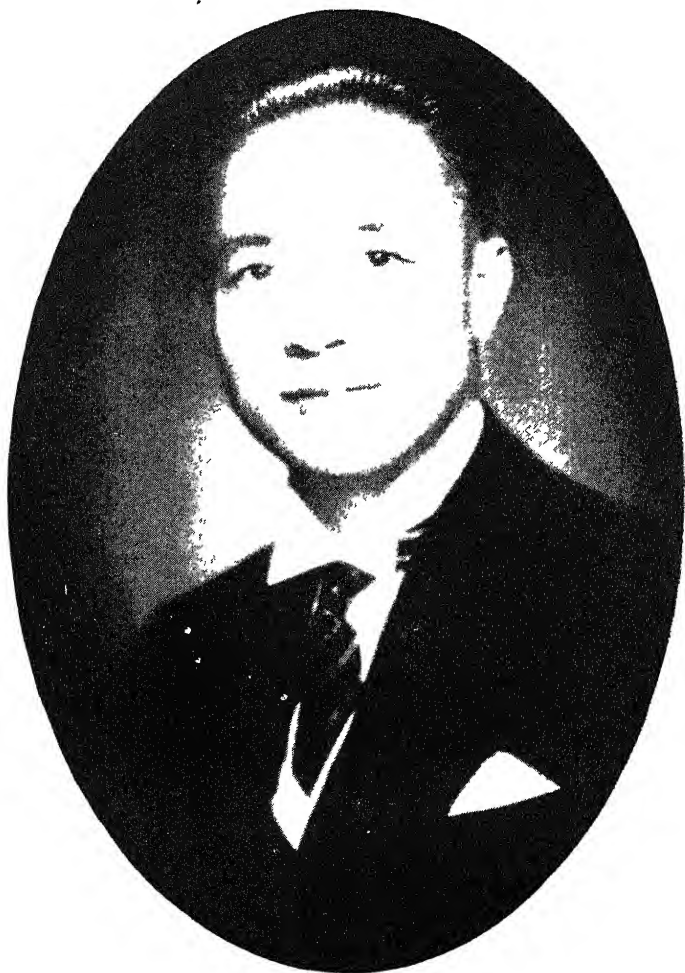
Religion formerly attempted to solve the mystery of nature on its own terms. With the advance and achievements of various sciences, however, (especially astronomy, geology, physics and criminology), religion has retired from that sphere and now confines itself to the moral realm. Religion, too, has provided us with too many superstitions, tales of miracles, and unbelievable fairy legends. Nowadays, religious persons, should they have a scientific mind, must disregard all those incredible stories, and, consequently, religion can hardly command as much respect as hitherto. Nowadays, many reasonable people question whether it is not foolish to consider that a religious man who does good is motivated simply by the fear of being sent to hell; and alternatively, whether he avoids the doing of evil with the sole object of being admitted to Heaven. Lin Yu Tang, a well-known Chinese author, in his work, *The Importance of Living*, made the notable statement, 'We should lead a decent, a human life, simply because we are decent human beings.' This statement does not attack religion, but it places superstition in the dock. In the same work, Lin Yu Tang says, 'Many of the fine minds of to-day have expressed their disbelief in personal immortality, and are quite unconcerned about it . . . Many people substituted for this personal immortality, immortality of other kinds, much more convincing—the

immortality of the race, and the immortality of work and influence . . . In this very real sense, we may say that Louis Pasteur, Luther Burbank and Thomas Edison are still living among us. What if their bodies are dead, since "body" is nothing but an abstract generalisation for a constantly changing combination of chemical constituents?' It is clear that the older conceptions of immortality are no longer universally accepted.

Chinese ethical teachings are to a great extent different from Legalism and Religion. By Chinese ethical teaching I mean Confucianism. Even though there have been three 'isms,' namely, Confucianism, Buddhism, Taoism, composing the bulk of the Chinese philosophy, yet Confucianism has been and is holding supremacy, dominating the outlook of life and the standard of morality of the Chinese as a Nation. If West and East do meet, the great teachings of Confucianism may have far-reaching influence on Western civilization. One of the high ideals of Confucianism is the maintenance of good social order. In contradistinction to government by law, Confucianism prefers government by propriety. Perfect virtue could be obtained, according to Confucius, by subduing oneself and returning to propriety. In the *Analects*, the sage taught: 'Look not at what is contrary to propriety; listen not to what is contrary to propriety; speak not of what is contrary to propriety; make no movement which is contrary to propriety.' By strict adherence to this doctrine an ideal personality could be cultivated, and



Civilian cooperation with the "Blue Devils"



DR CHU CHIA-HUA
President of Academia Sinica and Minister of
Organization of the Kuo Ming Tang

if everyone adheres to this doctrine, there is no necessity of enforcing the law.

Confucianism is not a religion. It is an embodiment of wise teachings both political and ethical. It is recorded in *Analects* that 'while you cannot serve man, how can you serve spirit? While you do not know life, what can you know about death?' Although with Confucius the vague impersonal term 'Heaven' took the place of the Divine Name, he thought it better that men should not occupy themselves with the supernatural. 'Respect deities and spirits, but keep away from them,' is another Confucian saying which can be quoted as evidence that Confucianism is not a religion. According to Confucianism, Heaven is a natural force which sets the universe in order. Therefore, 'they who accord with Heaven are preserved, and they who rebel against Heaven perish.' There is much more bearing on this matter in the works of Mencius.

The destiny of mankind depends upon themselves. Mencius quotes a passage from the *Tae Kea*, which says, 'When Heaven sends down calamities, it is still possible to escape from them; when we occasion the calamities ourselves it is not possible any longer to live.' The will of Heaven is gauged by the general will of the people. A quotation from *The Great Declaration*—'Heaven sees according as my people see; Heaven hears according as my people hear'—suffices to vindicate that, to a Chinese mind, the world is man-centred rather than God-centred.

The fundamental principle of Confucianism is Moderation, or the Doctrine of the Golden Mean.

In the *Doctrine of the Golden Mean*, which was written by Confucius' grandson, Tzu Szu, it is said, 'While there are no stirrings of pleasure, anger, sorrow, or joy, the mind may be said to be in the state of equilibrium. When those feelings have been stirred and they act in their due degree, there ensues what may be called a state of harmony. This equilibrium is the great root from which grow all human actions in the world, and this harmony is the universal path which they all should pursue. Let the states of equilibrium and harmony exist in perfection, and a happy order will prevail throughout heaven and earth, and all things will be nourished and flourish.'

What Tzu Szu meant was to educate oneself to be a superior man by controlling one's passions, which were the source of behaviour. One's passions being regulated in the middle course, there could be attained a reasonable behaviour leading to a harmonious form of existence.

In the *Doctrine of the Golden Mean*, Tzu Szu quoted Confucius, who said, 'I know how it is that the path of Mean is not walked in; the knowing go beyond it, and the stupid do not come up to it. I know how it is that the path of Mean is not understood; the men of talents and virtue go beyond it, and the worthless do not approach it.' The saying still holds true even to-day. In a world where extreme 'isms' contend for supremacy it is the middle course, which is neither the extent of one nor the other, that always prevails.

In its endeavour to achieve an ideal social order, Confucianism teaches people to cultivate the person

as a first step. In addition to the teaching of propriety and the doctrine of the Golden Mean, Confucianism advises man to appeal to his own reason. Mencius says, 'Let a man not do what his own sense of righteousness tells him not to do, and let him not desire what his own sense of righteousness tells him not to desire; to act thus is all he has to do.' By appealing to one's own sense of righteousness one is given the chance of examining his own conduct. Mencius says, 'If a man love others and no responsive attachment is shown to him, let him turn inward and examine his own benevolence. If he is trying to rule others and his government is unsuccessful, let him turn inward and examine his wisdom. If he treats others politely and they do not return his politeness, let him turn inward and examine his own feeling of respect. When we do not, by what we do, realise what we desire, we must turn inward and examine ourselves in every point. When a man's person is correct, the whole Empire will turn to him with recognition and submission.'

The teaching of self-cultivation and perfect personality is but one portion of Confucian philosophy. The real aim of Confucianism is to achieve good government of the State and universal tranquillity of the world. In the *Analects*, Confucius says, 'Now the man of perfect virtue, wishing to be established himself, seeks also to establish others; wishing to be enlarged himself, he seeks also to enlarge others.' A real Confucianist will endeavour to serve humanity to the limit of his power. Mencius says, 'Heaven's plan in the production of mankind is this:

that they who are first informed should instruct those who are later in being informed, and they who first apprehend principles should instruct those who are slower to do so. I am one of Heaven's people who have first apprehended; I will take these principles and instruct this people in them. If I do not instruct them, who will do so?'

This audacious tone of Mencius touches every reasonable heart. Mencius' audacity is further manifested in his definition of 'Great Man,' which is now quoted: 'When he obtains his desire for office, to practise his principles for the good of the people; and when that desire is disappointed, to practise them alone; to be above the power of riches and honours to make dissipated, of poverty and mean condition to make swerve from principle, and of power and force to make bent—these characteristics constitute the great man.'

In this modern world nothing can confine a man's mind other than science and reason. Legalism and Religion may have served to a certain extent for the well-being of mankind, but Confucianism with its teaching of moderation, reasonableness and humanism will, in time to come, not only be the guiding force of the ethical life of the Chinese, but also that of the peoples of the world.

CHAPTER V

WORLD PEACE

*The Sage does not take to hoarding
The more he lives for others, the richer he is.
The more he gives, the more he receives
'The Way of Heaven is to benefit, not to harm.
The Way of the Sage is to do his duty, not to strive with anyone.'*
LAO TZU

A SOLEMN duty devolving on all of us is the realization of the humanitarian aims and the civilizing purposes of a World Peace. The permanent establishment of such a peace is needed to assure security and bring happiness to this bounteous, fruitful earth.

But World Peace, to my mind, must be interpreted in terms of reality. Anything which is capable of greatly inspiring the minds of men must always be viewed in a rational and unemotional light. We must face facts. Therefore, I make no apology if I speak plainly on what World Peace means to China, and what China, in its turn, can mean to those who desire peace. With this disposal of theory and reliance upon reality, I propose to avoid further definition of the terms implied by the title of this chapter.

We are aware that the last World War was fought to end all wars. Cenotaphs everywhere remind us that the heroic dead commemorated sacrificed their lives willingly in the belief that there could never be another such horrible calamity. It was

hoped that from the blood and misery of that war would arise the fair dove of peace.

The Treaty of Versailles was signed; the League of Nations was formed. By these instruments, we thought, world peace was achieved. Confidently, we turned to a brighter day. Gradually, the bombed cities and towns were rebuilt, and the areas that had been devastated were restored. After a few years, men who had fought against each other were eating at the same board, vowing never more to participate in bloody carnage and insane slaughter. The price of peace had been so enormous, the burden of debt so heavy, the weight of misery so immense that never again would any nation or any government resort to armed force. The nations solemnly pledged themselves that international disputes would henceforth be settled by peaceful methods. The mad dogs of war would never be loosed again; they were chained forever.

Unfortunately, from the very day that the armistice established a temporary cessation of hostilities—which we thought to be a peace and the finale of war—there still remained reasons for world conflict. We cannot deny that. Behind the facade of a false peace some nations disarmed to a certain extent while others enlarged their armaments. Thus, fear and war-psychosis once more gripped the world. The result might well have been foreseen. After twenty-one years, history repeated itself. The failure of diplomats and international politicians to lay a true foundation for peace brought a curse to the civilized world.



GENERAL HO YING-CHING
Minister of War and concurrently Chief of General Staff



CADETS IN STEEL HELMETS

Millions of these young men are being trained to be the cream of the Chinese Army

The reason for the horrible wars now raging in so many parts of the world is found in the following causes:—

In the first place, there was the degeneration of the prestige of the League of Nations.

When the League was first formed, it was regarded as a super state. It was spoken of as an organization which would have authority over all nations. But the Nation that proposed it refused to join the League, lacking in faith, and believing, wrongly or rightly, that its own destiny was beyond question. The failure of the United States to accept membership of the League was a serious blow to the League's prestige, and destroyed a great part of its effectiveness, even from the moral point of view.

Time after time hopeful statesmen reminded us that the League of Nations should have full authority. But there was no solution to the situation which arose when one powerful nation disregarded the obligation of accepting League arbitrament and enforced its own will at the point of the bayonet. The inability of the League to restrain aggressors and to secure the settlement of international disputes showed the League in its true light—a mockery of reality. Hence a second deadly blow was dealt to the League of Nations and its Covenant, which all members of the League had promised to observe.

After the formation of the League the great problem which had to be faced and overcome was that of disarmament. But disarmament was only an ideal. Each country wished the others to disarm first. Some countries honestly proceeded to disarm. Others

ignored the obligation altogether. These were the underlying causes which have led to still greater world conflict.

In the second place, the world-wide growth of economic nationalism resulted in the sharpening of international conflicts. The theory and practice of economic nationalism presupposed the necessity that every nation should produce all its requirements in order to achieve a favourable trade balance. Nations vied with one another in erecting customs barriers in order to stem foreign imports. The cumulative result was disastrous. International trade was reduced to the lowest level.

It should have been evident that economic conflict would surely bring about sharp political reaction, which, in turn, would lead to the re-making of alliances, the resort to the 'bloc' organization among certain states whose mutual interests seemed to make that desirable. As a natural corollary there followed the vicious system of power politics. And with power politics came disintegration of international morality.

The third factor in the general world conflict is that of Fascism, which means the disappearance of democratic government in a nation, and its rule by totalitarian authority. The Fascist domination of a nation means the loss of that nation to democracy.

In 1921, when Mussolini secured power, he became the sole ruler of Italy. He has an ambition to transform the Mediterranean into an Italian lake. Since Hitler came to power in 1933, he has aimed at the building of the Greater Germany, known as the Third

Reich or Empire. It is a fact that all totalitarian states, if they feel strong enough, will expand at the expense of their weaker neighbours. It matters not to them that the problems of mankind cannot be, and, indeed, have not in the past been, solved by force. This indifference to civilized methods, to culture, and to the spiritual as well as the material needs of mankind has jeopardized world peace.

The evils just mentioned—the degeneration of the League of Nations, the failure of disarmament, economic nationalism, and Fascist domination, show that responsibility for endangering world peace and failing to restrain aggression cannot be disclaimed by any nation, and must be shouldered by all those people who believe in world peace and democracy. And, in shouldering this burden of responsibility, it is the great democracies which must stand firmly together against the menace of intimidation and violence by the Fascist powers. The situation may be critical, but it is not hopeless. There is a way out.

The lack of clear objective, the lack of sincerity among the nations, and the lack of real education for peace is being paid for once again in terms of precious blood and tears. With a clear objective we should be able to understand that the world situation is not a European problem only. The world situation is really two problems embracing Europe and the Far East.

In the Far East, there is only one country which is the enemy of peace, and that country is Japan. Since the Meiji Restoration over 70 years ago, Japan has been in the grip of ambitious militarists, who

dream of vast westward and southward expansion. The present Sino-Japanese War is the working out of that dream of Japanese militarism by attempting territorial expansion at the expense of China. In order to secure bases for the present attempt, Japan, during the past forty odd years, has seized Formosa and Korea, has dominated the Liaotung peninsula, and in 1931 she forcibly occupied Mukden and eventually wrested away China's four north-eastern provinces. Thus, she prepared for the dismemberment of China. By winning three successive wars, namely that against China in 1894-5, against Russia in 1904-5, and by joining the victorious Allies in 1914-18, Japan rose to the position of a first-class power. It is obvious that Japan is but an opportunist nation. In 1937 Japan manufactured a shameful 'incident,' and as a pretext for undertaking military measures, launched a vast campaign to subjugate China. Peace in the Far East is impossible of attainment so long as Japanese aggression exists.

As against this unbridled lust for territorial expansion on the part of Japan, China desires world peace. The Chinese desire world peace because peace is the foundation of civilization. There are needed not only decades, but centuries and even thousands of years, to build up a civilization bringing happiness and enlightenment to a nation. Yet in an infinitely shorter period, perhaps a few months only, may be destroyed the worthwhile achievements of centuries. Before the outbreak of the present Sino-Japanese War, the National Government of China had made great progress in material reconstruction and

achievement. But, alas, in a few short months, Japanese military and Fascist madness destroyed it all.

Furthermore, we desire peace because we wish to lighten the burden of the people as a whole. When there is war, or rumour of war, every country must necessarily endeavour to enlarge its armament, with the result that the people are called upon to sustain a burden which is beyond their capacity to bear. This, sooner or later, inevitably brings about economic chaos. If there be no war or rumour of war, a government can limit its activity to construction in order to eliminate poverty, raise the standard of living, and advance culture and civilization.

Above all, we want peace because war is the most horrible thing in the world. It is just a business of slaughter. Nine million people were killed in the last World War, and twenty million were wounded. The huge material expenditure is simply beyond calculation. But the greatest sacrifice was the surrender of the human spirit to the devilish fury and insanity of war, with its attendant social, mental, and physical evils.

World statesmen have done little for world peace. Much has been spoken and written, but the result has been disheartening. President Wilson, a scholar and visionary, endeavoured to obtain everlasting peace by forming the League of Nations. Since the foundation of the League in 1919, innumerable conferences have been held; pacts, treaties, and appeasements have been entered into, made and signed; but they have all failed to promote civilization and culture. How-

ever, we cannot blame the League of Nations. It lacks the authority and power to implement the Covenant which Japan was the first to set aside in 1931 after she had seized China's North-east provinces.

Now what of the future—the immediate future—which concerns us? World peace can come only when the whole world is at peace. There can be no European peace without a simultaneous peace in the Far East. If democracy prevails in the West, it will prevail in the East; equally, if Japanese military Fascism prevails in the East, the cause of dictatorship will be generally enhanced in the West. China, in her war of resistance and defence of sovereign rights, is preventing the Japanese hegemony of Asia. By consolidating and unifying her national power, China is becoming a fundamental force upon which the tranquillity of the Far East will have to be rested.

That a unified and independent China will serve the cause of world peace can be further proved by the following facts.

The history of China contains both the key to her future and the explanation of her traditional national policy, namely, co-existence and co-prosperity in the family of nations. China can and will play an important part in establishing world peace, because in all human essentials she is one of the greatest powers.

As our history reveals, from the Han dynasty until the Manchu dynasty—a period of over 2000 years—China was strong and influential. Yet, China never desired political or economic domination nor terri-

torial expansion. Every so-called vassal state was really autonomous and independent. They sent a form of tribute to China which cost the Emperors of China tenfold and sometimes a hundredfold greater treasure to return in kind. China's neighbours did not fear invasion from Chinese forces. The respect which vassal states had for China was the respect secured not by a display of military power, but by a display of cultural achievement and civilization. Tibet, Annam, Mongolia, Turkestan, Nepal, Bhutan, Siam, Korea, all neighbour countries, paid homage and sent tribute, because they admired and thought highly of Chinese institutions. And China of the 20th Century is in spirit essentially the same as the China of 2000 years ago. The political ascendancy of China as one of the Great Powers will be a blessing to the world and an inspiration to mankind.

From the economic viewpoint, an independent China as a governing factor in international stability is beyond dispute. Being a large country with a population of 450,000,000, China will become the world's biggest consumer, thus contributing to a great extent to the steady development of international trade. A free and independent China will be a wonderful field for foreign investment, as was shown by the late Dr. Sun Yat-sen. In China's vast area of 11,000,000 square kilometres, the work of reconstruction will require the fullest international assistance to thus further the ideal of world co-operation. An industrialized and modernized China will still require goods which cannot be made in China. These principal economic aspects fully cover

the materialistic conception of World Peace and of China's most important part therein.

When democratic nations and peoples of totalitarian states are freed from militaristic and Fascist rule, the whole of the world will have to be taught the love for peace, the importance of economic co-operation, and the common responsibility to further happiness of mankind.

What part China may play in the cause of world peace can be gathered by the following resume: Firstly, China is fighting against Fascist domination, and her victory will help to make not only herself but the whole world safe for democracy. Secondly, an independent China will serve as a field of vast material reconstruction and international economic co-operation. Thirdly, the victory of China would automatically help to restore League prestige.

The problem which you must answer is, which do you prefer, Fascism or Democracy? Competitive rivalry or co-operation? War or Peace? If your preference be Democracy, co-operation and peace, you will support China in her self-defence, which, in fact, will be a wise investment towards your own defence.

As to Sino-Australian relations, I am gratified to say that they have been and they are to-day of the most cordial character. I hope that our two great nations will struggle, shoulder to shoulder, in defending human rights and human justice, the maintenance of which can alone bring to us all that peace, that happiness and that prosperity which we so earnestly desire and which, in an ordered and decent world, should be the inalienable right of all mankind.

PART II
CHINA, AUSTRALIA AND THE
PACIFIC



CHAPTER VI

JAPANESE AGGRESSION

'Climbing a tree to seek for fish.'

MENCIUS

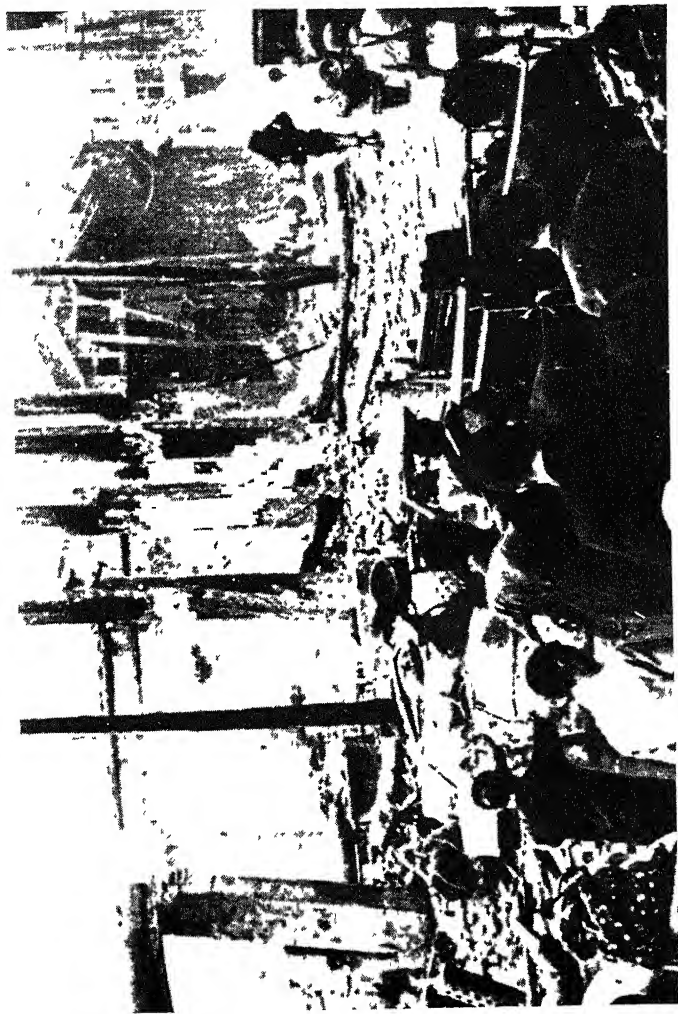
THE history of Sino-Japanese relations in the past seventy odd years is the relation of almost uninterrupted attacks and encroachments on Chinese sovereignty by the Government of Japan. Japanese militarism and the adoption of territorial aggrandizement by force as Japan's national policy have caused frequently recurring international crimes that stain the civilization of mankind. Since the Meiji Restoration in 1868, Japan has followed this national policy, regarding China as its prospective prey. It is a matter of world-wide knowledge that Japan's ultimate aim is not only the domination and subjugation of China, but also the conquest of the Pacific, and eventually of the whole world.

Owing to its geographical nearness, China has repeatedly been the victim of Japanese aggression in three successive wars, namely, the Sino-Japanese War of 1894-1895, the Russian-Japanese War of 1904-1905, and the World War of 1914-1918. And Japan will never be satisfied until the full realization of her military ambitions has become an accomplished fact. The Mukden incident of the 18th September, 1931, which preceded the invasion of Manchuria, and the Marco Polo Bridge incident of the 7th July, 1937, which led to the present

undeclared war in the Far East, are shameless examples of Japan's unbridled lust for power.

The present Sino-Japanese war was premeditated by the Japanese militarists. The amazing progress which China had made in her political and economic programmes must have caused alarm to Japanese militarists. In 1935, the two rich Chinese provinces of Kwangsi and Kwangtung were brought within the fold of the National Government, and after the Sian Affair in December, 1936, all sects were dissolved, thereby resulting in the achievement of complete national unity. The Japanese militarists feared a strong China. By launching a sudden, undeclared war, these militarists hoped to beat China to her knees before the Chinese people could consolidate their national strength and unity. Thus, from 1935 to the date of the outbreak of hostilities in July, 1937, the Japanese continually manufactured 'incidents' culminating in the Marco Polo Bridge affair and the Shanghai Húngjao Aerodrome incident, as baseless excuses for attacking and weakening China.

On the evening of the 7th July, 1937, Japanese troops held illegal manoeuvres at Lukouchiao, a railway junction of strategic importance in the vicinity of Peiping. Their presence there could not be defended under any existing treaty or agreement. Alleging that one Japanese soldier was missing, Japanese troops after midnight demanded entry to the adjacent city of Wanping to conduct a search. When permission was refused by the Chinese authorities, the Japanese suddenly opened an attack on Wanping with infantry and artillery forces. Thus



CHUNGKING, AFTER AN AIR-RAID

Residential area as target of ruthless destruction by the Japanese



Field artillery in camouflage

the Chinese garrison was compelled to offer resistance. If there was any sincerity on the part of Japan, such an incident would have been localized and settled amicably through diplomatic channels. However, Japan used it as the pretext, transparent as it was, for military adventure.

While North China was in immediate danger of war, Japan deliberately threatened the safety of Shanghai, the financial and economic centre of China. On August 9th, one Japanese naval officer, one Japanese seaman, and a member of the Chinese Peace Preservation Corps, were killed in a clash which rose from the Japanese naval officer's attempt to approach the Chinese military aerodrome near Shanghai, in utter disregard of Chinese warnings. This incident was also used as a *casus belli* which set aflame the whole of China.

China's reaction to Japan's militant aggressiveness was clarified in the speech made by Generalissimo Chiang Kai-shek on the 17th July, 1937, from which I shall quote the following lines:—

For the past few years, we have put forward our utmost efforts with patient endeavours for peace in the face of grave difficulties and grievous pain having the ultimate object of achieving national reconstruction. . . . While there is the slightest hope of peace, we will not abandon it; so long as we have not reached the limit of endurance we will not talk lightly of sacrifice. . . . But although a weak country, if, unfortunately, we should have reached that last limit, then there is only one thing to do. This is to throw the last ounce of energy of our nation into a struggle for national existence. And when that is done, neither time nor circumstance will permit our stopping midway to seek peace. We should

realize that to seek peace after war has once begun means that the terms would be such that subjugation of our nation and complete annihilation of our race would have to be faced. Let our people realize to the full extent the meaning of the limit of endurance and the extent of sacrifice thereby involved. For once that stage is reached we have to sacrifice and fight to the bitter end, but always with the expectancy of eventual victory. Should we hesitate, however, and vainly hope for temporary safety, we shall perish forever.

Thus China was pushed on to a total war—a war of defence—to maintain her national existence against a foreign and unscrupulous invader.

As the war was forced upon China by Japan at a time selected to suit her nefarious plans, China's military preparations were not ready to meet the emergency. However, Generalissimo Chiang Kai-shek lost no time in lining up the national resources and rallying all the fighting forces under one banner. Generals Li Tsung-jen and Pai Chung-hsi, military rulers of the province of Kwangsi, although they had not seen eye to eye with the Generalissimo in some matters, put aside their prejudices and voluntarily responded to his appeal. By 4th August, 1937, General Pai was in Nanking conferring with the Generalissimo on the situation. The two leaders forgot past grievances and made ready for the supreme sacrifice for the cause of the nation, which was now in immediate danger of destruction.

Negotiations between the Red Army and the Chinese Government for national unity against Japanese aggression had taken place before the Marco Polo Bridge incident. The outbreak of open hostilities with Japan, following upon the incident,

hastened the conclusion of the negotiations which brought the Communistic Party and the Kuo Ming Tang, the Chinese Nationalist Party, into a union unprecedented in Chinese history. The terms on which co-operation between these two parties was to be effected were: (a) Abolition of the Red Army and its incorporation into the National Army; (b) Dissolution of the 'Soviet Republic'; (c) Cessation of Communistic propaganda that was diametrically opposed to Dr. Sun Yat-sen's 'Three Principles'; (d) Abandonment of class struggle by the Communist Party.

On 22nd August, 1937, Generalissimo Chiang Kai-shek ordered the re-organization of the Red Army into the 8th Route Army of the Chinese Government and appointed Generals Chu Teh and Peng Teh-huai, Commander and Deputy-Commander thereof, respectively. Three days later the two Communistic leaders publicly announced their assumption of office. One month later, on 22nd September, 1937, the United Front Manifesto was issued by the Central Executive Committee of the Chinese Communist Party, formally accepting terms of co-operation and clarifying its attitude towards the national crisis.

Although some fresh political differences between these two parties have been recently reported, yet the solidarity of the Chinese nation can never be broken. The Chinese people have realized the gravity of the situation which endangers their territorial integrity and national existence, and they are convinced that the only means of achieving final victory over this ruthless enemy is national unity. They are

aware that when their own territory is overrun by the invader, no political difference can be tolerated. The brilliant leadership of the Generalissimo during the past four years of hardship has won general admiration and commanded universal respect amongst the Chinese, who look upon him as the saviour of celestial civilization.

Without question, we have the inspiring leader, and we have the people who have been sacrificing themselves spiritually and materially. It is perhaps ironical that had there been no Japanese invasion, there would not have been a unified China. For the part the 'Sons of Nippon' have played towards the achievement of unification in China, unintentional though it has been, an expression of our deep gratitude might be tendered to them.



MADAME CHIANG KAI-SHEK
First Lady of China



THE BURMA ROAD
is built on rocky mountain ranges. Here, men conquered nature

CHAPTER VII

THE NATION STANDS THE TEST

'He who is unwilling to suffer bitterness in troubles will never attain to being a man above other men.'

CHINESE PROVERB

||N order to obtain a clear, or what may be termed an inside view of a nation, it is necessary to study its traits and characteristics. China as a nation has more than four thousand years of authentic history, in which we find the struggle of its people, through vicissitudes of flood and famine, disaster and calamity, as impressive and indomitable as its achievements in eras of peace and plenty, while the nation's cultural progress has been in every respect a valuable contribution to world civilization. In view of the present world assessment of Chinese gallantry and Chinese spirited resistance against unprecedentedly ruthless aggression, my readers will doubtless pardon me for alluding to my country and my people in what may seem to some rather boastful terms. It cannot be denied, however, that China has, through her long history, overcome invasions and wars, not only surviving, but emerging even greater and stronger as a result thereof. Included in the traits or characteristics which I, as a Chinese, am proud to claim as being universal amongst Chinese, are perseverance, endurance, tenacity and optimism, good humour and moderation, level-headedness, and self-control.* As our history, in comparatively modern

*See Chapter III.

times shows, China as a nation can never be conquered by any invader. The Mongols—probably the most nearly irresistible and warlike people of all time—invaded our country in A.D. 1280, but our people overcame even these mighty conquerors in less than a century. The Manchus, who invaded China in 1644, were gradually assimilated by the superior Chinese civilization, and ceased to be different from the Chinese themselves. The national characteristics which I have mentioned, have made China great and our history glorious. Even under circumstances of adversity, we still endeavour to enjoy the best of life and look forward to better times. In the face of difficulties and hardships unparalleled in our history, we remain calm and invincible. In fact, China has won the admiration of the civilized world for her ever-rising morale against Japanese aggression.

Having obtained a clear view of China as a nation, let us proceed to a study of China at war.

Japan's strategy, after the outbreak of hostilities, was to utilize her superior naval and army equipment to secure a quick, decisive victory. In July, 1937, when the Chinese Government had made it plain that China would not surrender without a fight to the bitter end, the Japanese militarists proclaimed that they would beat China in a few weeks. At a later date they declared that a few months would suffice. They did not expect that the Chinese would defend themselves. Moreover, they did not believe that China would prolong the war for such a lengthy period. If they could have foreseen the present

situation, which is unfavourable to them, the Japanese militarists would have abstained from committing this great blunder. Seeing their 'swift success tactics' fail, they have changed their method. Now they endeavour to utilize 'Chinese to enslave Chinese policy,' and to profit by the gains they have secured in the occupied territory in order to prolong the war at the expense of the Chinese. Let us come to the Chinese tactics vis-a-vis Japan's.

To date, the Chinese regard the war as having passed through two stages. The first stage was the period from the 7th July, 1937, to the 25th October, 1938, which date marks the fall of Hankow. The bloody battles fought at Shanghai, Nanking, Nankow, Hsuechow, Pingying-kuan, Taierschwang and Nanching, by ill-prepared Chinese troops against overwhelming odds, have won world admiration. In every encounter our troops gallantly resisted the crack forces of Japan, frittering away Japanese strength, and then effecting a timely withdrawal, moving intact into the more distant provinces. The Japanese were drawn further inland, where their long lines of communication could be frequently cut. In order to maintain these lines, the enemy must sacrifice heavily both life and material. At the beginning of the war, as I have said, the Japanese believed they could achieve a swift and smashing victory, and they thought the fall of Hankow marked the end of the war in favour of Japan. They made it clear that they sought a quick decision, irrespective of foreign interests and international reaction. When their tactics failed, they tried, in the second stage, to

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secure compensation from the occupied territory, and to seize the business and properties of foreign powers in order to meet the burden of expenditure of the unexpectedly long war. Politically, the Japanese have endeavoured to create so-called autonomous governments, which are merely puppet regimes, hoping to realize the old policy of utilizing Chinese to govern Chinese, and thus to enslave and exploit the country. China's tactics have been to crush these dreams by carrying out a relentless and planned guerilla warfare, making the enemy exploitation of the territory impossible.

The second stage of hostilities—the period since the fall of Hankow to the present day—is the period of guerilla or, more correctly, mobile warfare. This type of warfare is but a strategic development of that old Taoist saying which has for thousands of years been proverbial: 'We should let the enemy be the host and ourselves the guest. . . .' This old Taoist strategy has been followed with undeniable success by guerilla or mobile forces, which launch sudden surprise attacks on the weakest points of the Japanese lines. The most constant and effective mobile attacks are carried out in the rear of the Japanese lines, having for their purpose three important military and economic aims: Firstly, to minimize the occupied territory by establishing guerilla forces at invincible points so that Japanese military influence is confined to cities and towns. Secondly, to crush the Japanese endeavour to exploit occupied areas, together with their labour and resources. Frequent mobile attacks render stabiliza-

tion impossible, and the enemy can gain no profit from any economic effort, making the possession of the areas merely an empty achievement. Thirdly, by having guerilla forces always in occupied territory, not only can the Japanese military and economic plans be frustrated, but also the people therein are constantly aroused by patriotic appeals, and trained in arms as a further guarantee of continuous resistance. The morale of the people, thus maintained, is reflected in their united front against Japanese aggression. Peasants and students, industrial workers and the merchant classes, all unite in thought and action in the common defence of their country and civilization. It is estimated that 80 per cent. of the Chinese manhood in the so-called occupied territory have been trained to arms. With the guerilla forces there are capable and experienced military officers, students and other national elements whose services and knowledge serve to make the people indivisible in their resistance.

Self-defence and the work of reconstruction must be parallel achievements. Hence the Government has employed these two terms to inspire and guide the people and the country. It is frequently emphasized that the present Sino-Japanese struggle is a war of attrition. Therefore to enhance national reconstruction is to enhance national strength, so that the war can be prolonged until the enemy is exhausted. Moreover, we regard the present war as but an episode in the huge drama of Chinese history, and our work of reconstruction is undertaken not merely for the crisis but for our posterity. There

is no victor in modern war. The depression and distress which follow as war's aftermath should intimate to us that during war we should achieve constructive regeneration in order to possess a sound basis for the future well-being and happiness of the people.

Industrially, China's position has not been greatly affected by the temporary loss of her few ports of trade entry. New roads and railways are already in operation, serving the twofold purposes of opening up the great potential west and south-west and connecting China with the nations of Europe and America by road and rail. In addition, the establishment of air routes which greatly lessen the time factor, have enabled China to make an immense step forward. Industrial plants and centres along the coast and rivers within range of Japanese naval guns have been removed to these new areas, where full advantage can be taken of abundant labour and raw materials. There is now abundant evidence that China as a nation can be practically, if not entirely, self-supporting.

Up to the time of the fall of Nanking, the Chinese people as a whole paid but little attention to the far flung provinces of the west. Now, however, tens of thousands of Chinese—among whom are leaders of industries and institutions of learning, with their staffs and students, have moved in, travelling on steamers, by motor-cars, trucks and on foot. As a result of this mass migration, the development of Szechuan and other south-western provinces, which has so long been delayed, has been

accelerated, until there will have been achieved in a year what would, in normal times, have taken five decades to accomplish. Here our country will make up for more than what it has lost. We shall build faster and more surely upon the foundations already laid, and erect the edifice of a new, rejuvenated and robust China. The pioneers of America were attracted to their West by the lure of gold and land, and they went into a virgin region. In our West, remote as it is, and difficult of access as it used to be, there has long been established a civilization and a great population. Therefore, the future material progress of the West and South-west of China may surpass that of the West of America.

Financially, the position of China is no worse to-day than it was at the outbreak of the major war. With the political unification of the country, the financial and economic stabilization plans of the Government became facts, and no longer merely paper schemes. Currency reform, carried out a year before the outbreak of war, enabled the Government to place China's foreign credit on a firm basis, which not only strengthened China's credit abroad, but also considerably enhanced the capacity of the Chinese people both as producers and consumers. China's foreign trade, which has hitherto had an adverse balance, is now almost at a standstill. This will be beneficial to China's national economy in the long run, because she must manufacture and produce what was previously imported. Furthermore, the wonderful and inspiring spirit of the 8,000,000 Chinese overseas whose monetary contributions and

loans to their fatherland, together with international credit loans, notably the new 20,000,000-dollar Credit Loan from America, and the practical support for China from all the right-thinking peoples of the world, has enabled the Nation to meet any call upon its resources, manpower, and organization. Moreover, China's economy and industry, the effectiveness of which alone can maintain China's favourable financial position, have been regulated by major principles, and have been placed on a war basis. Strict rationalization, scientific management, and keen co-operation between capital and labour have minimized expense and waste, not only leading to large scale production but also furnishing an ideal basis for the future industrialization of China as a whole. This vast undertaking will be achieved mainly through domestic financing, hence the determination of the Government and people to maintain the even trend of Chinese financial stability.

The national spiritual mobilization, which the Government has directed, and assisted in every possible way, may well be described as the awakening of our Nation; the resurrection of our ancient valiant spirit; and the re-emphasis of old virtues such as loyalty, filial piety, integrity, and righteousness, universal love and peace. To achieve these virtues, one is obliged to devote one's life to the cause of the Nation, thus discounting self-esteem and self-interest. The love of our parents and ancestors, which is called filial piety, is transformed into a love of the Nation. Individually, one has to focus one's strength, ideals, thought, wisdom, and intelligence upon one objec-

tive; namely, to serve the Nation and preserve the Chinese civilization. Nationally, all the people, irrespective of age and sex, social status and education, must unite and co-operate as brothers and sisters against the aggressor.

In addition, every citizen is required to swear a solemn oath pledging loyalty to the country and the central Government. This oath is regarded as sacred, and the failure to observe it is punishable. Among the items which arrest attention in that oath are the following:—

1. Every citizen must adhere to the Three Principles of the People, namely, Nationalism, Democracy and People's Livelihood, formulated by the Father of the Republic, Dr. Sun Yat-sen;
2. Every citizen must be law-abiding and obey the ordinances promulgated by the National Government of the Republic;
3. Every citizen must see to it that neither he nor anyone known to him does anything to the detriment of the Nation; therefore a citizen will not be a traitor and will not be governed by the enemy;
4. A citizen will never participate in a puppet government or traitors' organization;
5. A citizen will refuse to use the currency issued by the enemy or traitor;
6. A citizen will boycott Japanese goods, will refuse either to eat or sell Japanese provisions or the provisions of traitors.

There are twelve points in all. I mention only some of them to show the comprehensiveness of the oath, and its significance vis-a-vis the continuation

of the war and the achievement by China of the final victory.

Having analyzed China psychologically, militarily, economically, industrially, financially and spiritually, I trust that I have provided my readers with a synopsis for an understanding and an appreciation of the rising China of to-day. To quote the words of our Generalissimo, China can win the war single-handed, if need be. China will never be extinguished either as a national entity or as a cultural force in the world civilization of this or any future age. Still, we Chinese realize that peace is indivisible. The British people, especially, cannot regard the present Sino-Japanese war with indifference. If peace is not secured in the Far East, there will not be peace—that is to say, genuine peace—in any part of the world. In other words, if the Sino-Japanese War continues for an appreciably longer period, horrible destruction will be the result.

We Chinese are fighting for our independence and liberty against the aggressors who are the real cause of world turmoil. Hence our cause is also the cause of peace and international justice. Australians, in their struggle for nationhood these past one hundred and fifty odd years, have made tremendous progress, both materially and spiritually, but in the face of the international crisis they are fully aware that in order to defend themselves a strong armament is necessary to reduce the menace of foreign invasion. China's determined fight against the Pacific menace will obviously eliminate Australia's fears. China's success will be a success for peace in the Pacific, and

China's failure, which is unthinkable, would signal the downfall of civilization and reversion to barbarism, dragging every nation into the agony of wholesale destruction, by misapplied scientific inventions which only peace can properly utilize.

CHAPTER VIII

FAITH IN VICTORY

'When opposing troops meet in battle, victory belongs to the aggrieved side.'

LAO TZŪ

LATELY, there have been rumours of peace moves alleged to be initiated by Japan with the hope of reaching finality in her hopeless struggle for domination in the Far East. Much has been recorded in the press. Nevertheless, according to authentic information, there is not the slightest intention on the part of the Chinese Government to consider peace terms or to tolerate any move calculated to be used by enemy propagandists for the purpose of hindering China's war efforts.

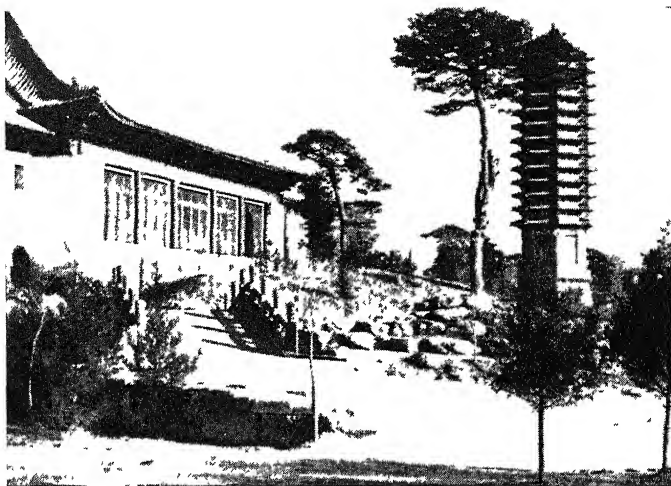
After four years of protracted war, China is more confident than ever that her final victory will be achieved in the not too distant future. The colossal sacrifice of manpower and material on the part of China will not be in vain. Why should she seek for peace or entertain peace suggestions while she is gaining the upper hand? It is Japan whose feet of clay are staggering hopelessly in the quagmire of the so-called 'China Incident.' She is most anxious to get off the tiger's back. But as the Chinese saying goes, 'It is easier to ride a tiger than to dismount.' The situation has developed to such a stage that Japan has to continue her military adventure reluctantly until she is well-nigh, if not entirely, exhausted. China's



An informal photograph of Generalissimo and Madame Chiang



Madame Chiang has won the admiration and reverence of the whole world for her untiring devotion to the great cause of national salvation



A common University scene in China before the outbreak
of the Sino-Japanese war



This is what Japan has achieved in her four years of undeclared
war in the Far East

attitude towards Japan, from the Government down to the humblest citizen, is unique. It is that there shall be no cessation of resistance until China has been restored to her rightful place—a Nation that is independent, free, and equal in the family of nations.

That China will win territorial integrity and the independence of sovereignty has already been assured by her four years of heroic efforts against Japanese military aggression. A people who are known to the world as lovers of peace, the Chinese prefer peace to a war of destruction, no less than any other democratic people. However, peace without honour, and peace associated with an appeasement policy, can never be contemplated by the heroic Chinese.

What is the basis of my belief that China will see victory in the not very distant future? To consolidate my reasons for the assurance I give to Australian people that China will emerge as a great power, the following facts are submitted. It is needless to reiterate that Japan precipitated the present war in the Far East with the military object of territorial aggrandisement. But how much has she achieved in that direction? According to official statistics, in the fourteen provinces comprising 1,153 counties which have become war areas, 52% of the counties or districts of those provinces are still intact in Chinese hands, 42% are partly occupied, with Chinese magistrates in the cities, 3% are occupied with Chinese magistrates in neighbouring counties, and only 3% of the counties—that is to say, 33 out of 1,153—are entirely under Japanese military control. No better explanation of this war situation can

be given than a well-drawn cartoon wherein is depicted a snake trying desperately to swallow an elephant.

The present war between Japan and China is a war of attrition, with Japan intending to smash China in a relatively short period, while China is hanging on as long as possible until the invader becomes entirely exhausted. In a protracted war, economic reconstruction is most essential. Since the outbreak of the war, amazing progress has been made, alike in agriculture, in mining and in light and heavy industries. China, which hitherto has always been backward in production, having each year an unfavourable balance in foreign trade, has now become self-sufficient without any need to place undue reliance upon importation of goods. Exports of wood oil, hog bristles, tea and wool have increased. Whereas cotton hitherto has had to be imported, that has now become an export commodity. In rural economy, the Agriculture Credit Administration and the four Government banks have jointly rendered invaluable help. Rural credit loans now in circulation exceed 100,000,000 dollars. Loans bearing high interest rates, formerly predominant in rural communities, have been done away with to a very large extent. Government enterprises, such as transportation, mining, foreign trade, light and heavy industries are all progressing by leaps and bounds. Particularly gratifying results have been achieved in machine production, electric accessories, chemical factories, gold mining, oil drilling and production of liquid fuel and automobile parts. Private enterprise has responded wholeheartedly to the in-

junction: 'Increase Wartime Production.' With Governmental aid, most of the factories in the war areas have moved to, and resumed operations in, the interior. They include metal works, chemical plants, machine shops, cotton mills, paper mills, leather tanneries, and foodstuff factories, contributing greatly to supplies of army and civil needs. Close co-operation has been effected between handicraft and mechanical industries, the former playing a particularly important role in national production.

Financially, China's position is more stable and sound than it was prior to the war. Thanks to the financial reform which took place one year before the outbreak of the war, the control of her currency has been centralized. With the war entering its fifth year, China's national treasury has successfully met all expenditures. The people's tax burden has not been appreciably increased. There has not been excessive issue of loans. Her credit remains excellent. The national currency is firm, and foreign exchange is still being applied to legitimate needs. Apart from the incidence of currency reform, the reasons which account for Chinese financial stability are (1) Abundant harvests in the past four years. (2) Successful utilization of metropolitan capital. (3) Large remittances from overseas. (4) Foreign practical sympathy and assistance.

China's wartime bond policy has inclined toward the conservative side and subscriptions have been on a voluntary basis. Since the war, the Government has issued a total loan of only 4,700,000,000 dollars, Chinese currency, which has been subscribed enthusi-

astically by the Chinese, both at home and abroad. Foreign loans include the American Wool Oil Loan, American Commodity Loan, the additional American Commodity Loan, the British Export Credit Guarantee Loan, the British Currency Loan, the three Soviet Loans, the French Annam-Chennenkwan Railway Loan, and the French Suifu-Kunming Railway Loan. With the exception of part of the loans, which is repaid in cash, the remainder is repaid with commodities. Although the outbreak of the European war has affected the prospects of further foreign credits, the situation is by no means hopeless. It must not be forgotten that the enlistment of foreign assistance with utilization of foreign capital to develop China's economy is also a Chinese wartime financial measure.

In brief, China's wartime finance is prosecuted from a long-term standpoint and with the adoption of a cautious attitude. Compared with China, Japan's budget has jumped to 11,000,000,000 yen. Her military expenditures have piled up to 17,400,000,000 yen. Her public loans have approached 20,000,000,000 yen, and the amount of paper currency issued has soared to 5,600,000,000 yen.

This should be sufficient to prove that the financial collapse of the invader is imminent. The war has already cost Japan casualties well over 1½ million. As to Japan's reserve manpower, 83% of the able-bodied have already been conscripted. China's strength of resistance has grown, while the enemy's strength has greatly lessened. There are 5,000,000 Chinese troops in the field. China has 50,000,000

men of military age, of whom 30,000,000 have already received preliminary military training. New schools have been opened to train military specialists, including transport supply schools, mechanized units schools, cavalry schools, infantry schools, two guerrilla staff-training colleges, and eight branches of the Central Military Academy.

In view of the facts which I have mentioned, it can be realized that the rise of China and the downfall of Japanese militarists will be only a matter of time. When that occurs, the only menace in the Pacific will have been eliminated through China's great sacrifices and her most gallant resistance to unworthy and unlawful aggression.

CHAPTER IX

THE PROBLEM OF THE PACIFIC

'To a ram plunging into a hedge, advance and retreat are equally difficult'
I-CHING—*'The Book of Changes'*

SINCE the latter part of the nineteenth century there has been in International Politics a change of venue from the Atlantic to the Pacific Ocean. As a result of the growing rivalry and commercial expansion of the various European and American Powers, a problem arose as to the position of China and her attitude towards the schemes and plans of the changing world, which required the co-operation of the whole of the peoples who had interests in and were bordering on an ocean with vast resources and possibilities.

The Pacific problem, therefore, is a problem concerning the welfare of mankind in our twentieth century. The nations concerned fall into three categories:—

Firstly, nations which have economic and colonial interests, and adhere to the principle of peaceful development of commerce and industry. They uphold the *status quo* and would permit no change of the established situation by violent means.

Secondly, China, a country with a huge area of eleven million square kilometres, a population of 450 millions and a large reservoir of natural resources, certainly occupies the centre of the whole Pacific problem. An independent and prosperous China

means tranquillity and stability, not only in the Pacific, but throughout the whole world. Since the Opium War, from 1840 to 1842, to the end of the nineteenth century, China was in a chaotic state, due internally to the corrupt administration of the Manchu Government and, externally, to continual encroachments by foreign Powers. The so-called spheres of influence of these Powers cut so deeply into the territory of China that, for a time, China was in danger of being partitioned by the trespassing nations. This calamity, however, was averted by the declaration of the Open Door Policy in 1899, proposed by Mr. John Hay, then Secretary of State of the United States of America. This policy adhered to the principle of equal opportunity for nations who had interests in China, thus maintaining the balance of power in the Far East. Hence foreign aggression upon China was temporarily halted.

In the third category is Japan, a country with a traditional aggressive policy towards her neighbours, especially China. Under the reign of Emperor Meiji, in 1871, Japan began her reconstruction programme. Her ambition was to commence with local territorial expansion—and thence to vast colonial and external growth. The so-called northward and southward programmes are the two important national policies of Japan. The former is at China's expense; the latter must essentially be at the expense of those of the Western Powers whose interests are most vitally affected, namely, the British Empire, the United States of America,

Holland, and others. France, in Indo-China, has already suffered.

During the World War, Japan, knowing herself safe from interference from those Powers whose interests she so boldly intended to encroach upon, presented her iniquitous twenty-one demands on China, which threatened the peace of the Pacific. China, by means of diplomacy, avoided a war with Japan. After the termination of the Great War, a conference of nine Powers sat in Washington from 1921 to 1922 and concluded with a treaty in which Japan, one of the signatories, agreed with the others to respect the Sovereignty, the independence and the territorial and administrative integrity of China.

This clause was specifically inserted to safeguard the development of Pacific trade and commerce, and to ensure to each of the contracting nations equal opportunity of participating in the development of the most important nation in this area, namely, China, who, for the sake of maintaining world peace, has so largely contributed to the solution of the problem of peaceful development. When Japan had agreed to comply with the stipulations of the treaty, China naturally took it for granted that this would mean the termination of Japan's political and economic aggression which, supported by her militarists, she had tried to enforce upon China so often during the past thirty years. But actually before many years had passed, Japan's policy was changed to a more aggressive course, that of territorial expansion on the continent. To that end, she has ignored the sanctity of international

principles and treaties, and begun to rely upon her powerful military and naval machine to obtain the domination of the Pacific. As an illustration of the strategy by which she is enabled to create an opportunity for the use of her might, I refer again to the 'Mukden Incident,' of the 18th September, 1931. Japan has, since then, forcibly occupied China's three north-eastern provinces and Jehol, and created a Puppet State of the so-called 'Manchukuo.' Proof of Japan's insatiable territorial ambitions is best illustrated by the fact that, after six years occupation of Manchuria, she created another incident at Lukou-chiao—the Marco Polo Bridge incident—on the 7th July, 1937, where she was holding manoeuvres regardless of the fact that no part of her army had any right to be in that vicinity. This was designed to bring under her control five more provinces in North China, and to form another State similar to that of 'Manchukuo.'

To aggravate the situation, Japan, in August of the same year, struck at Shanghai, the economic and financial centre of China, using one of her manufactured incidents as a pretext for ruthless aggression. This was the beginning of the present hostilities in China.*

Regarding the war in China now, I can only describe with horror the actions of Japan, a nation which is continually and hypocritically claiming to be one of the most civilized and enlightened countries of the world. How is this claim to civilization justified by the barbarous slaying of innocent civilians in

*See Chapter VI, p. 43.

a conflict commenced with the intention of subduing a great people, who asked no more of its neighbours than that all be allowed to live in peace and harmony and to work out their own emancipation. At present, Japan is doing her utmost to subdue our people by terror, caused by gas and aerial attacks on centres of no strategic importance, and by every mechanized device that a barbarous and cruel nation could utilize. Let me state, however, that Japan can only achieve an opposite effect, and is committing suicide, for the Chinese have been fighting with a courage and tenacity which has astounded the whole world. Their morale, instead of being lowered, has never been at a higher pitch than at present, and all are determined that Japan shall not become their master. The Japanese are weakening, for where they expected a very mild resistance they have been confronted with a determined defence, and every advance has been made at a costly price in both manpower and materials. Japan's retaliation to our stern resistance has been massacre, rapine and destruction, and all sorts of brutalities beyond description.

While every other nation facing the Pacific is willing to live and trade in peace with her neighbours, Japan, in her unbridled ambition, has for the gaining of her ends, plunged into an orgy of slaughter.

CHAPTER X

GRAVITY OF THE SITUATION

'There is no greater calamity than to under-estimate the strength of your enemy'

LAO Tzŭ

BEFORE the outbreak of the present European War, the governments of democratic countries endeavoured to preserve the *status quo* in both hemispheres. It was, however, generally admitted that there were grievances and conflicts of all kinds in international relations, and that the preservation of the *status quo* favoured by one group of Nations was inevitably unfavourable to the others. Nevertheless, the belief prevailed among many leading politicians of that time that the settlement of these grievances and conflicts by amicable means and through diplomatic channels would eliminate the causes of war. Because of this assumption, the peoples of the democratic countries were left unprotected, and unprepared for the emergency of war.

But while Democracies were thus dreaming of peace, the Totalitarian States had advanced far in their military preparations. Italy was one of the States that was dissatisfied with the *status quo* in Africa and in the Mediterranean. Therefore, in October, 1935, she invaded Abyssinia, and in 1939 occupied Albania. Germany, vanquished in the last World War, was naturally eager to throw off the chains of the Treaty of Versailles. When Hitler

assumed office in 1933, he led his people into preparations for a war motivated by revenge and hatred. By the skilful organization of manpower and the speedy training of mechanized troops, the military strength of the Germans grew so strong that it soon surpassed, beyond estimation, that of any other country. In March, 1938, Austria ceased to be an independent country, and was incorporated in Germany. In September of the same year the Munich Agreement was signed, and soon after Czechoslovakia ceased to be free. In August, 1939, Germany invaded Poland and thus set aflame the major part of Europe. These facts, and the attendant circumstances, are well known.

Let us now review the situation in the Pacific in which both China and Australia, owing to geographical reasons, are so vitally concerned.

By Germany's successes in Europe, the Japanese menace in the Pacific has been aggravated and formalized. Of special interest to Australia is Japan's penetration in the South Seas, because it inevitably endangers the safety of the Commonwealth and its people. The South Sea Islands of Micronesia, over which a mandate was given to Japan by the League of Nations, have been heavily fortified in defiance of the terms of the League Covenant. These islands, extending 1200 miles from North to South, and 2600 miles from East to West, although their actual land area is but 836 square miles, have brought Japan 1500 miles nearer to Australia, and could be used as a spearhead in an attack having further aggression as its object.

After the collapse of Holland, Japan's eyes turned more avariciously than ever to the rich territories that are the Dutch East Indies. Her interest in the South was vigorously expressed on the 3rd June, 1940, by Mr. Arita, who stated that Japan's foreign policy must be based on the firm conviction that she was the stabilizing force in East Asia, and that Japan's economic relations with the South Pacific, and particularly the Dutch East Indies, were very intimate. He pictured two countries—one of small area, having a very large population and poor natural resources, and the other of large area but thinly populated although possessed of enormous resources. He pointed out that if there were tariff walls, immigration restrictions, and other barriers which seriously impeded the normal flow of goods and commodities between those countries, it was hardly possible to expect an absence of friction and conflict. A more outspoken statement of Japan's foreign policy was made in a broadcast address by Mr. Arita on the 30th June, 1940. In it he said that Japan expected the Western Powers to do nothing to exert any undesirable influence on the stability of East Asia, and that Japan, while constructing a New Order in East Asia, was paying serious attention to developments in the war and its repercussions in various quarters, including the South Seas.

Notwithstanding the fact that Japan's Army has been bogged in the quagmire of a protracted war in China, her navy, which ranks as the third largest in the world, is intact. The menace of that navy is too obvious to be overlooked by threatened countries.

At this critical moment we can but hope for the best, while being ready and prepared for the worst. Neither undue optimism nor undue pessimism is necessary, nor should either be entertained. What we can do is to follow the example of the Totalitarian States by organizing our manpower and resources on a total war footing. The democratic nations must have only one belief: that they will survive the aggressors; one aim: that they will fight to a victorious finish.

When the Democracies, inspired by an unshakable faith in the cause of justice, liberty, peace, friendship, and mutual co-operation, are so equipped that they can face the gravest peril in human history with the utmost confidence as to the outcome, the great ocean on which our countries border will be Pacific, both in name and in fact, and the common victory which we shall have achieved will be the foundation whereon a better and a much happier world can be built.

CHAPTER XI

FOR PERMANENT PEACE IN THE PACIFIC

*'The Way of Heaven has no partialities,
But always sides with the righteous.'*

LAO TZU

THE history of human civilization may be divided into three stages. In the first stage, river valleys offered favourable conditions in the beginning. In the second stage, coastal areas served the purpose of developing closer contact between different races. In the third stage, by advancement in the means of communication, oceanic exploration led to the further progress of a civilization which benefits humanity as a whole.

In speaking of the oceanic stage of human history, the late President Theodore Roosevelt said: 'Since the beginning of the 19th century, the centre of gravity of world politics has shifted from the Atlantic to the Pacific.'

A glance at the map will be sufficient to convince us that the nations which border the Pacific, representing as they do enormous populations, vast economic resources, unlimited commercial and cultural potentialities, must play the most important role in the world arena.

Since Australia and China are two of the Powers of the Pacific, it is interesting to propose and answer the question: What do we want the Pacific to be? We want our common ocean to be Pacific both in

meaning and in name. We desire to live in peace and to die in peace, because by peace alone can we have a continual advancement of civilization. Peace and civilization are indissolubly bound together. We cannot have genuine civilization in the face of rumours of war, and the destruction by war of moral standards, resulting in the elimination of the sense of international justice.

In short, we desire a peace in its real sense.

We desire a real peace, that is, a peace without fear. Before the World War we had forty years of armed peace. During this period every country was building up heavy armaments behind a camouflage of peace, lest it should be attacked by its neighbours. This international anarchy resulted in horrible bloodshed and destruction still fresh in our memory. After the conclusion of the Versailles Treaty, that fear which existed in pre-war days has been dominating the relation between nations. It is not difficult for us to forecast that a general conflagration would follow if this international situation were allowed to remain unchanged. A real peace is not a forced peace, brought about by threatening the weaker nations with bayonets, mechanized forces of destruction, aerial bombers and the like. Such a 'peace' would only increase antagonism and hatred, and bring fresh wars.

But how can we have a real peace in the Pacific?

Only an independent and powerful China will serve as the cornerstone of peace in the Pacific. That China is a peace-loving nation is accepted without reserve. In her four thousand years of authentic

history, scarcely is there an instance of her military domination over her neighbours, even at the height of her greatest power. Her neighbours paid homage to Imperial China, not because of fear but because of admiration for the superiority of Chinese civilization. With this peace-loving nation, numbering about one-fourth of the world's population—becoming strong and powerful, not only will an unshakable peace front be formed, but also there will be provided a psychological basis of universal love and fraternity. This will eliminate misunderstanding and distrust, which are probably the most conspicuous causes of international war.

Strategetically, an independent and strong China will safeguard peace in the Pacific. There is only one menace to the tranquillity of the nations bordering this great ocean. If we desire real peace, not only should we check that menace, but endeavour to efface it.

Since the Meiji Restoration, the so-called northward and southward advance programmes of Japan have projected a spotlight on the real intentions of this militaristic country.

In her 'Northward Advance' policy, Japan, in order to subjugate Russia and confine Russian influence to the west of Lake Baikal, must endeavour to dominate North China, especially Manchuria and Mongolia, as stepping stones for that policy. Likewise, her 'Southward Advance' policy, which aims at the complete conquest of British, French, Dutch and American territories in the Eastern seas, can never be successful without the invasion of China's coasts, and

islands of strategic value to secure bases for naval and aerial forces.

But when China's independence and sovereignty have been secured, and Manchuria has been restored, Japan's northward advance policy will be checked and the possibility of another Russo-Japanese major war, which could only be fought on Chinese territory, averted. Then China, by fortifying her coast and those islands which are in the way of Japanese southward expansion, will be powerful enough to interpose between Japan and Japan's intended victims.

Economically, a free and rehabilitated China would offer a tremendous market to international trade and commerce. A student of international politics must not overlook economic factors which may influence goodwill or lead to rivalry between nations. In order to avoid war, we must prevent the economic discriminations which aggravate national antagonism. It is always China's highest principle in foreign policy that the doctrine of co-existence and co-prosperity among the family of nations must be faithfully accepted. With a stabilized national life, China will not only become a greater consumer, but will also supply, in greater abundance, the products in which she specializes. International traffic cannot be on a one-way track. Division of labour can also be applied in the international sphere as well as in the domestic. Once the four hundred and fifty million people in the Republic of China are enjoying peace and possessing greater purchasing power, there will surely be inaugurated in this Pacific area a period of progress and of plenty unparalleled in history.

So much for an independent and powerful China serving the interests of peace in the Pacific. Is this independent and powerful China a mere figment of the imagination, or is it a developing reality? It is a fact, not open to serious dispute, that a new and very vigorous China is now at hand. Japan, in fighting a war on an unlimited terrain like China, has lost every hope of winning the victory after four years of fiercely contested engagements. The war was begun with the assumption of Japanese militarists that by threats and bluff they could subjugate China without recourse to arms. Our response shocked the Japanese militarists, who are now preparing a half-century war to the bitter end. As a matter of fact, Japan, in building up an island empire, has never encountered a major obstacle nor engaged a powerful people. The Sino-Japanese war of 1894-5 was forced upon the already tottering and incompetent Manchu dynasty, while the Russo-Japanese war of 1904-5 was a concentrated Japanese attack, aided by British goodwill, on an inferior Russian force under the Tsar's corrupted regime. In the First World-war, Japan fought only against isolated German forces in the Far East, more or less sniping, to use a military term, and was not tested in real offensive operations against a great military power. In the present Sino-Japanese war, Japan has launched mighty forces of men and material without securing her objective, and she is no farther to-day along the road to the domination of China than she was four years ago. China, while traditionally opposed to war as an instrument of national policy, is not militarily ineffective. China is

a competent and solid nation, organized, united and gaining power economically, financially and politically. The whole Nation has been aroused to an unshaken determination to fight to the bitter end. The enemy is not allowed, to use a Chinese expression, 'to be under the same heaven.' Self-sacrifice and national feeling hold full sway. The day is drawing nearer when China will emerge a victorious and new nation.

After reviewing the subject in the light of the foregoing analysis, it is safe to assert that China is not merely fighting in self-defence and for self-preservation, but mainly for the realization of permanent peace for the Pacific. Because of the present world anarchy, every country is squandering its wealth on defensive preparations. Australia is no exception. Would it not be better for Australians to be safeguarded by a real peace than to live in an atmosphere of fear? It cannot be denied that an independent and powerful China would serve as a first defence line of Australia. Japan's menace of the Pacific and her so-called southward advance policy, can never do any harm to Australia while China's gallant resistance continues.

CHAPTER XII

A NATURAL ALLIANCE*

'If two men are of the same mind there is no wall of metal that they cannot penetrate.'

I-CHING—*The Book of Changes*

THOUGH the Sino-Japanese war has been overshadowed by the European situation, the united effort of 450,000,000 people against Japanese militarism, the only menace of the Pacific, should not be overlooked. That Australia is more associated with the Pacific nations, both geographically and economically, than with any European power, is self-evident. Whatever may be the outcome of the present struggle for democracy and international justice on the part of the Chinese nation, it must have a far-reaching effect on all Pacific countries, of which Australia is a rapidly-developing member. Therefore, the proper understanding of the delicacy of the Far-Eastern problem and its repercussions on this Commonwealth is necessarily to pave the way for wise statesmanship.

Since the second anniversary of the commencement of hostilities, neutral foreign observers have pointed out that China will be victorious eventually, and the Chinese people themselves have been more confident than ever that China will in the long run emerge a new and vigorous nation. The latest news and authoritative information regarding the Far East have confirmed that observation and strengthened our belief. This information may be summarized as

*This chapter was written on March 10th, 1940.

follows: Firstly, Japan declares that she has won enough territory and decides to stop the military campaign in order to allow Marshal Chiang Kai-shek to surrender. Secondly, Japan demands that the Chungking Government should agree either to be absorbed by or to collaborate with Wang Ching-wei's Government. Thirdly, Japan's advance in Kwangsi province has been repelled with tremendous losses in both man-power and war materials. Nanning, the town through which war material is transported from French Indo-China, has been recaptured and the Chinese forces are pushing the routed enemy far back towards the coast. Fourthly, it is estimated that the present war is costing Japan 300,000 men annually in addition to imposing an immense financial burden. The total casualties of the invaders must be approximately 1,000,000. Financially, Japan has ruined her oversea trade by waging a war on such a large scale, and her national economy is already on the verge of collapse. Fifthly, conscription is in full operation in China, and millions of recruits are being called to the colours to continue the protracted struggle. Finally, a plan of economic and industrial rehabilitation has been efficiently carried out by the establishment of co-operative units to safeguard the livelihood of the people and to strengthen their power of resistance.

Every keen observer must realize that Japan must be near the end of her tether, and it seems ridiculous that, despite the fact that she is unable to continue the fight, she nevertheless repeats the demand for Marshal Chiang Kai-shek's surrender, and tries to dictate peace terms to the Chungking Govern-

ment. The so-called peace terms signed between Wang Ching-wei and the Japanese militarists have been revealed by Gau Tzong-wu and Tau Shi-sheng, who were subordinates of Wang Ching-wei, and eventually deserted their ringleader. These peace terms are such as would make China virtually a vassal state of Japan, and since their revelation Wang Ching-wei has been denounced by the whole of the Chinese nation. No one with any sense of reason and justice would tolerate such humiliation; and it is only because of the personal vanity of Wang Ching-wei and the foolish ambitions of his followers that a puppet regime, with Wang as its head, was possible. It would be preposterous to assume that the great hero of the Chinese nation, Marshal Chiang Kai-shek, would ever acknowledge its existence.

Therefore, what Japanese spokesmen have said about peace terms and Wang Ching-wei's Government is, so to speak, 'shooting at the wind,' and betrays the real hopelessness of Japan's fantastic efforts to establish the 'new order in Asia.'

Ever since the outbreak of hostilities I have ventured to forecast the ultimate defeat of the Japanese and the national emancipation of the Chinese. Now that two and a half years have elapsed, all factors are in our favour, and it is obvious that the basis on which I had previously formed my opinion was not a hallucination. That China will be eventually the victor can be founded on the following observations: Although the war is being fought on Chinese territory, yet no major battle has been won by the invaders. It was expected by the Japanese militarists

that they could achieve a rapid, decisive victory; but owing to the deliberate protraction of the conflict by Chinese strategists, their plans for a lightning war were frustrated. The successful withdrawal of Chinese forces from major cities such as Shanghai, Nanking, Canton, and Hankow, did not have the effect of bringing the war to a speedy conclusion. On the contrary, our man-power and military resources have been rallied to such an extent as to be worthy of record in Chinese history. With this marshalling of forces the Chinese Government is able to launch attacks on various fronts to harass the invaders, and consequently the disintegration of the Japanese invading armies must be only a question of time.

The present conflict in the Far East is the war of an undaunted people combatting an Island Empire founded on militaristic adventures only. The characteristic fortitude of the Chinese people is seen in their efforts to survive the continual widespread floods which have caused them much misery. They are lovers of the land, and when a flood has subsided they come back to their native place to rebuild their homes and recommence their farming activities. Natural calamities have never conquered these tenacious people, nor have the human atrocities they have suffered. Let the Japanese militarists realize that their plan of dominating the Pacific by using China as a stepping-stone is but a mere hopeless day-dream.

This dream had its beginning in 1868, the year which marked the Meiji restoration, and it has been nourished by three successful wars. The Sino-Japan-

ese War of 1894-5 was fought against the corrupt Manchu regime, so its outcome was not surprising. In the Russo-Japanese War of 1904-5 Japan was aided against the Czarist regime by the benevolent neutrality of the British Government, and the success of the war cannot be attributed to Japanese superiority in military force. In the Great War of 1914-1918, which Japan entered with the purpose of exploiting the world situation by fishing in troubled waters, the Japanese fought only against isolated German military forces in China. Hence, any claim by the Japanese that to have won great military victories is ridiculous in the extreme.

If the Japanese should still be cherishing this dream of conquest, the present conflict should have an awakening effect. They are facing a unified China, both at home and overseas. The Chinese people overseas number 8,000,000, and they indefatigably contribute enormous amounts to the war funds. Furthermore, in the face of emergency, China is rapidly becoming militarized. In an independent and united nation, nothing is easier than military preparations and training. The present-day Chinese military force is evidence of this fact, as we now have mechanized and mobile units which have proved efficient in counter-attacks. With these odds on our side we are looking forward with due optimism to the result of the war.

That China will be democratic in its political institutions is demonstrated by the Three Principles of the People advocated by Dr. Sun Yat-sen, father of the Republic, and deeply imbedded in the mind of

the Chinese. Economic and industrial rehabilitation on a national scale for the well-being of the people as a whole will be achieved, and all the demerits of capitalism and communism will be eliminated so that a new social order may come into being. A defence plan on a purely self-preservation basis, in conformity with our declaration of the love of peace and international brotherhood, will include the following measures: a vast air force to protect open cities from aerial bombardment; a large fleet of submarines to ensure the safety of the extensive coastline and to minimize the dangers of blockade; and fortifications heavily built along the Manchurian and Korean border to make impossible any aggression from the land. This plan has already been under the consideration of military authorities, and a new and vigorous China in a real sense can be visualized in the near future.

Yet while it is undoubted that China is growing stronger, we are certainly not under-estimating the strength of the enemy. For the last seventy-odd years Japan has been a militarized country ruled by war lords who concentrate all resources for the sole purpose of territorial aggrandizement. Western mechanical devices have been adopted to industrialize her economy. With these two weapons of military and economic strength she has enlarged her area to a great extent. It is Japan's national policy to eliminate British, American, French and Dutch influence and interests from the Pacific and South Seas. Therefore, if China be conquered by Japan, which God forbid, Japan would naturally stretch out her greedy

hands, strengthened by China's man-power and resources, towards further conquests, thus endangering the whole of the Pacific.

Now China is fighting against this menace. Let every right-thinking person in the world realize that her fight is not only for her own national emancipation, but also to check military aggression and to safeguard peace in the Pacific.

I venture to ask how many Australians realize the full significance of China's fight, and how many of them are prepared to advocate closer relations between their Commonwealth and the ancient country of China?

By cultivating this better understanding and closer relations, politically and economically, Australians have everything to gain and nothing to lose. Peace-lovers as they are, the Chinese have no territorial ambition, and possessing, as they do, the vast area of 11,000,000 square kilometres they need no geographical aggrandizement. From the economic viewpoint, after rehabilitation, the purchasing power of the enormous population of the Chinese may be imagined. China will offer a tremendous market for Australia's primary and secondary products. This position, with attendant potentialities, is not far ahead, and wise statesmanship, knowing its value, will devise means for taking advantage of it.

In China's hour of dire need, both moral sympathy and material assistance will strengthen her iron determination to fight for her high cause, which is similar to that of the Allies, and will help to win the respect

and friendship of a nation which numbers more than one-fifth of the world's population. I leave these matters with confidence to the consideration, judgment, and foresight of my readers.

CHAPTER XIII

CHINESE-AUSTRALIAN TRADE RELATIONS

'Propriety is reciprocal; if there is giving, but no receiving, this is not propriety; if there is receiving, but no giving, neither is this propriety.'

LI-CHI—'The Book of Rites'

IN speaking of the relations between China and Australia, it is gratifying to be able to say that the two countries are not only traditional friends, but also good neighbours.

People have wondered why such a large population as China possesses can be regarded without apprehension by the seven million people who inhabit Australia. The reason is to be found in the aim of Chinese national life, which is cultural and humanistic, and not militaristic and intolerant towards others.

Moreover, the aim of China's national life corresponds to her traditional policy towards foreign countries. Her motto is 'Co-existence and co-prosperity in the Family of Nations.'

We are naturally very proud of our cultural heritage and of our unbroken history of non-aggression against others. Peace is the keynote of our civilization. Therefore, Chinese pride is real, genuine, and deep-seated. It does not appear on the surface. This makes us appear humble, but our humility must not be mistaken for lack of courage. Nor can our peaceful character be regarded as a sign that we lack the adventurous spirit.

Many people wonder what will be China's attitude towards others if she wins the present war and becomes a strong world power. They think that China may develop into a mightier aggressor in the event of the defeat of Japan. Such a thought is so ridiculous that it must be dismissed from serious consideration.

China to-day believes as China of other days believed, that there is nothing to be gained from war. If China wins this present war, her great victory will be the securing of peace.

China, in her 4,000 years of authentic history, has specialized in the art of settling quarrels with her neighbours, and in repelling envious, warlike tribes when they invaded her territories. In regard to all those who harbour aggressive tendencies we have invariably adhered to the teaching of Confucius, our greatest sage, that conquering others by highest morality may last forever, but conquest by force can only achieve results that are temporary.

Most of the world powers of to-day hold identical ideas about their national aim, that is, they consider that they must be powerful in the military sense. But, as a nation grows older and more experienced, like the old Chinese nation, it will devote its energies to the achievement of cultural greatness and not of military renown.

Australia's National Aim

Australia is now in the process of building her national life—an economic life that aims at providing health, security and happiness for the whole

of the people. This ideal has long been China's.

Moreover, Australia's task for the past one hundred and fifty odd years has been that of subduing Nature. Now, its task is to subdue man. In pioneering days, droughts, floods and the great virgin bush were your foes. You have conquered them, as can be seen by the advanced state of civilization about us. But now your enemy is more ruthless and more difficult to subdue. Man is now your enemy.

What makes me say so?

Australia's Future

The war raging in Europe, Africa, and the Far East has radically shattered trust between nations, and collective security and international ethics have collapsed. Australia has come to realize that, in order to survive, she must be strong enough to defend herself. Therefore your national policy has been changed from subduing Nature to subduing human beings, the aggressors. That change affects your whole life. This means that your economic and social organizations, perhaps even the nature of your politics, will be radically changed.

From the economic standpoint, you will have to sacrifice more and more as the years pass, maintaining this heavy burden of armament and living in fear and mortal dread.

However, war is an abnormal feature of human conditions. During a war a democratic nation must apply every ounce of its strength to its self-preservation and to the preservation of human civilization, but much importance must be placed upon post-war

reconstruction, both national and international. The fundamental similarity of aim in the national life of China and Australia should certainly bring these two countries together. Countries such as our two great nations have nothing to fear or lose, but everything to gain, from a partnership based upon the principle of 'Co-existence and Co-prosperity in the Family of Nations.' China's relations with Australia always envisaged economic co-operation. But Australia, with eyes focussed on Europe and America, was not ready, until very recently, to develop China-Australian trade on this basis.

High Value of Australia's Trade With China

The value of Australia's exports to China in times of peace, when China's normal trading conditions prevailed, and when the country was not suffering the misery and dislocation of foreign invasion, is revealed by the following information collected by the Australian Customs authorities.

In the year of 1932-33, Australia exported to China goods to the value of £A6,283,398. In the following fiscal year, China's whole resources had to be marshalled for the national defence against the Japanese invasion. Then, instead of food and commodities from Australia for peace-time use, China was constrained to buy from America and Europe warplanes, munitions, and machinery. In that year China purchased less than one million pounds' worth of Australian products—a decrease of over 500 per cent.

In the following year—1934-35—the value of

Australia's exports to China increased to £A2,472,262. In 1935-36, when Japan began her attack on North China, China's purchases of war materials had as a corollary a decrease of Australian exports to China—the value being only £A1,212,821. During the year 1936-37, a year of large-scale Japanese operations, the value of Australian exports to China descended to £A842,963, and in the following year—1937-38—to £A616,520—the lowest figure recorded during the past seven years!

The war in the Far East is robbing Australia of a large volume of solid business with China. Yet it is to be noted that in 1938-39, as the Sino-Japanese war was gradually approaching a stalemate, Australia's exports to China were valued at £A2,918,426.

China Buys More Than She Sells

China buys from Australia goods many times the value of the goods she sells to Australia. Australia bought from China only £stg.266,938 in 1932-33. In 1933-34, the value was slightly higher—£stg.285,514. In 1934-35, the figure rose to £stg.364,127, in 1935-36 to £stg.657,178, and in 1936-37 it reached £stg.683,742. But since then, owing to the protracted hostilities in the Far East, the figure dropped to £stg.601,870 in 1937-38, and in the following year to £stg.461,559.

The advantages are thus heavily in Australia's favour, and they will be so for many decades to come. China's 450,000,000 people will naturally purchase more, both in quantity and value, than Australia's own population of approximately seven million can

be expected to purchase from China. China does not expect the impossible, but she does desire a fair trade policy, with no unjust discrimination against her.

An interesting feature of the Australian export trade to China is the quantity of wheat exported. In 1932-33, the peak year, of a total exportation valued at six million pounds, an amount of nearly five million was for wheat, the exact value of the wheat exported being £A4,943,276. In 1933-34, the amount for wheat was over two million—£A2,080,453. In 1935-36 it was only £A868,864, and in 1937, when China's people had to go hungry to buy arms for self-defence, the value was merely £A319,096. Here you have been presented with a tragic story. Wheat was given up for guns and food was sacrificed for bullets.

*Australia Buys Inferior Goods From Japan at
Great Cost*

The statistics just quoted show that Australia's purchases from China have never in any one year totalled the value of £1,000,000. Australia's patronage of cheap Japanese goods, however, is a different story.

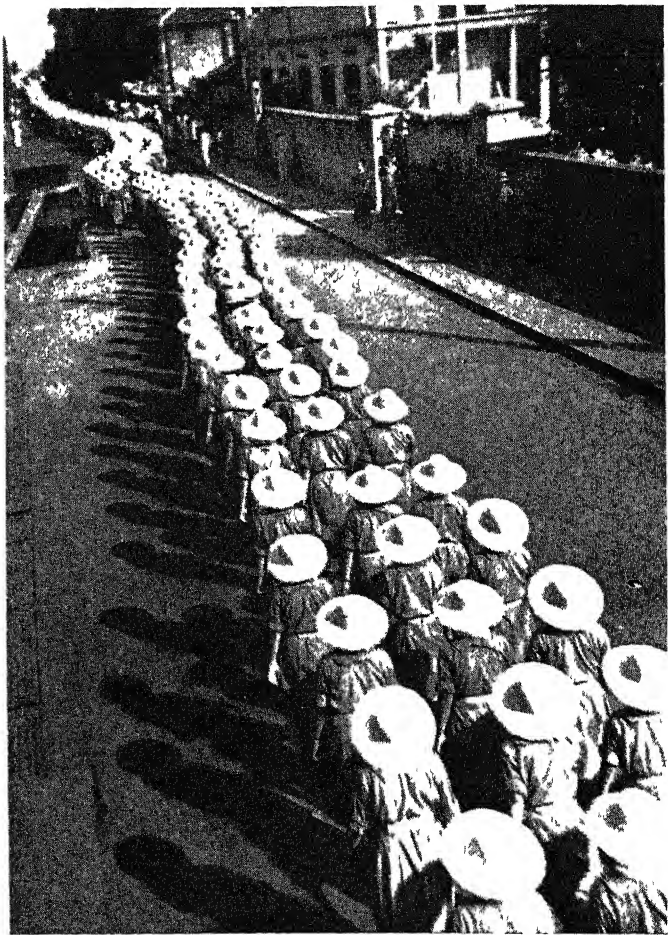
My reader will probably laugh when I say that Australia buys inferior goods from Japan at great cost, and sells goods of high quality to Japan cheaply.

But let official statistics tell the story.

In 1932-33 Australia bought £stg.3,536,581 worth of Japanese goods of a class which you know only too well, requiring no further comment. In the year 1933-34 the figure increased by over a hundred



GENERAL PAI TSUNG-HSI
Vice-Chief of General Staff and one of the most
brilliant strategists of China



Girl soldiers on the march

thousand pounds. In 1934-35, the value was £stg.4,624,740, and in 1935-36 it increased by an additional three hundred thousand pounds—£stg.4,969,571. In 1936-37 the amount was again well over the four million mark—£stg.4,004,465. In 1937-38 the figure soared to £stg.5,349,087, but the following year it came down to the four million level—£stg.4,093,191.

Yet Japan complains that she does not get a fair trade deal from Australia. As a matter of fact there is no ground for such a complaint, as a mere glance at the trade figures and all the information will make plain.

It is worthy of note that China sells to Australia goods which the latter needs. She sells good silks, embroideries, works of art that you yourselves do not make, ginger and tea, of which but little is produced in this country, and some tung oil, bristles, linseed and feathers which keep your factories going.*

But, in contradistinction, Japan sells you goods that compete with your own industrial products—cheap chinaware, cheap materials for women's wear, toys, crockery and household ware, and such like articles which you should be manufacturing in this country to meet your own requirements.†

* (1937-38 total imports of Chinese origin, £601,870 The principal items were—Apparel and textiles, £158,340, tung, etc., oil, £83,148, bristles, etc., £79,971; tea, £53,662, linseed, £23,544, nuts (edible), £22,541, silk, raw, £19,002, feathers, £13,763, drugs and chemicals, £13,247, rice, £12,165; ginger, £12,084, and cotton, raw, £11,616)

† (1937-38 total imports of Japanese origin, £5,359,086 The principal imports were—Piece goods, silk or containing silk, £1,510,019; piece goods, cotton and linen, £888,497, silk, raw, £577,495; piece goods, other, £275,751; textiles, other than piece goods, £214,613, apparel, £208,122; fish, £200,843, machinery and metal manufactures, £187,350; fancy goods, toys, £162,532, crockery and household ware, £147,774; paper and stationery, £142,464, yarns, £85,145; sulphur, £80,422; and glass and glassware, £51,852.)

China's Trade More Valuable Than Japan's

China's trade with you is, in truth, considerably more valuable than the actual figures disclose.

Chinese goods do not compete with Australian manufactures, consequently China is not taking work from Australian factories, and increasing Australian unemployment.

Japan, on the other hand, is adopting a trade policy which tends to the strangulation of your secondary industries, with consequent swelling of the number of Australian unemployed. Another and more sinister aspect of Japan's Australian purchases relates to pig-iron and iron-scrap, which she uses for war purposes.

Japan's Falling Business With Australia

In 1932-33 Australian exports to Japan totalled 11 million pounds; in 1933-34, 13 million pounds; in 1934-35, 12 million pounds (£A12,095,514); in 1935-36, 17 million pounds (£A17,661,232); in 1936-37 it dropped to 9 million pounds (£A9,705,738); in 1937-38 to five million pounds (£A5,900,098); and in 1938-39, four million pounds (£A4,865,469), the lowest level of all.

The lesson to be drawn from these figures is that Australian exports to Japan have declined within recent years because Japan's war expenditure has adversely affected her trade, and to such an extent that the value of Australian exports to her decreased by approximately 13 million pounds, in comparison with Australian exportation in the year 1935-36. It also shows that Japan's heavy purchases of wheat,

iron ore, and other commodities in 1935-36 were a prelude to her major war with China in the year following. In that manner, trade returns verify history and tell a most convincing story.

China's Peace Imports

China buys from Australia goods, not in the nature of war material, but consisting of foodstuffs, wool and other necessities of life. Japan, as a militaristic country, is a different customer altogether. During her four years of undeclared war in China, she has bought enormous quantities of war materials, such as pig-iron and scrap-iron, tin clippings, zinc and tallow, which is used in the extraction of glycerine for high explosives. These are raw material for ammunition used for the massacre of peace-loving Chinese. Where, then, were the much advertised purchases by Japan of Australian wool?

Australia's wool clip is worth between forty and sixty million pounds per annum. Japan has never purchased more than one-tenth of this clip. But within two decades China will most likely be your best customer in this commodity, and will absorb not less than one-half of the total clip!

Potential Trade With China

Chinese are gradually turning from a cotton-wearing people to a woollen-wearing one. With such a huge population as China possesses, the potentiality of the wool trade between Australia and China is not difficult to forecast. The significance of this statement will not be lost on Australians.

The volume of the total Australian export trade in 1938-39 was £A122,543,020. It may appear that China's share in that trade, amounting to less than three million—£A2,918,476—is but a small percentage. But, remember that, in 1932 the amount was as large as six million pounds. In that year reconstruction was being carried out on a peace-time basis. Had normal conditions continued, and had the Japanese not invaded China, it is most probable that the amount of Chinese purchases from Australia would have been increased considerably.

A Realization Needed

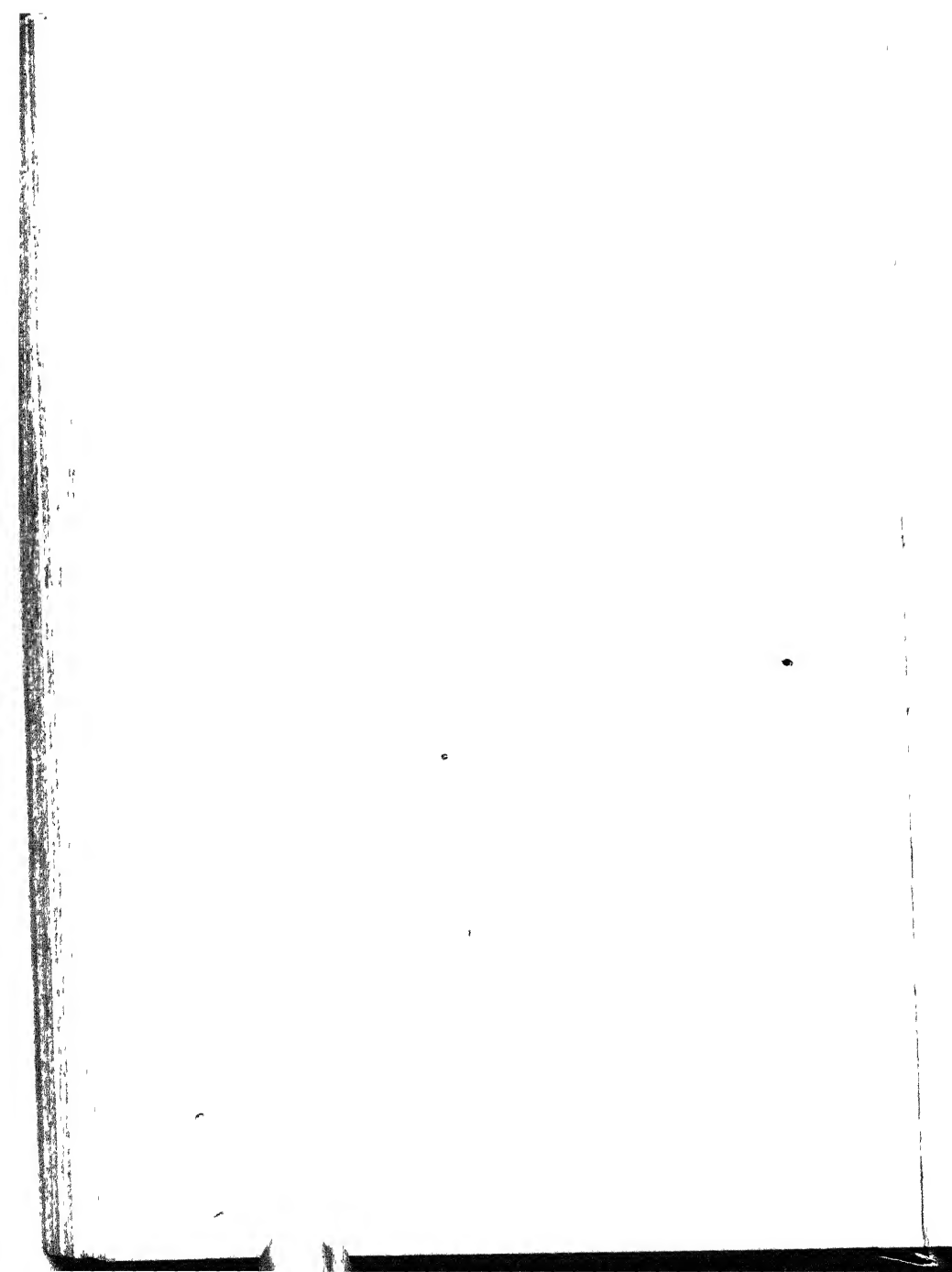
From what has been herein stated, the Australian and Chinese peoples must be brought to a realization of the following:—

First, we must take a broad, far-reaching and constructive view, and unite all our efforts to secure and maintain most cordial relations between the two great nations. This implies political and economic co-operation.

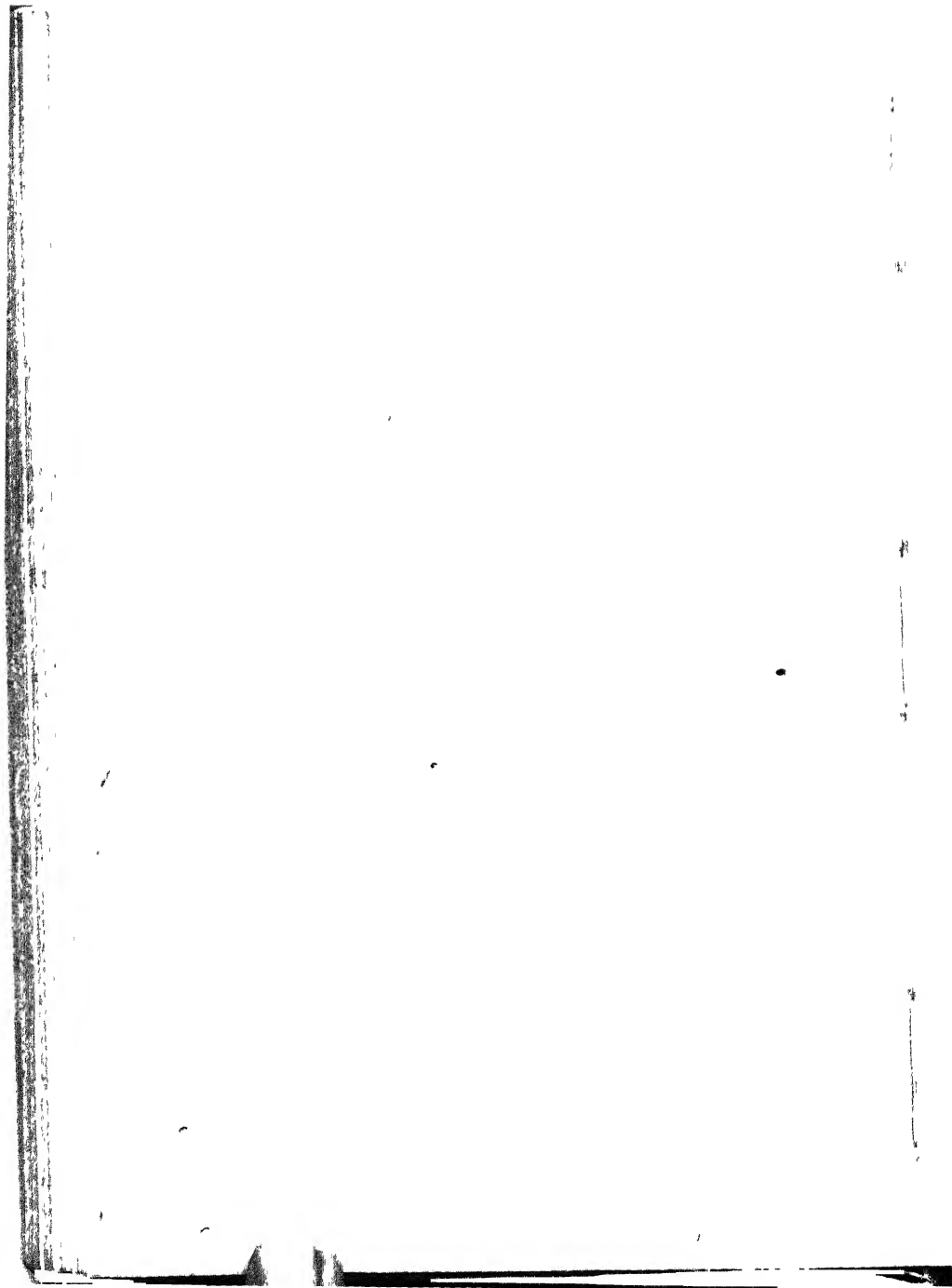
By political co-operation I do not mean the establishment of a form of *bloc* or military alliance which aims at the destruction of others. This political co-operation will be of such a nature as to promote goodwill and fellowship among mankind.

By economic co-operation I mean the removal of tariff barriers and the enforcement of the principle of reciprocity. There is ample room on this earth for the commerce of all nations. There is room in both China and in Australia for business men of all nations whose goal is reciprocal trade.

Secondly, I say, without fear of contradiction, that China is Australia's real friend and your good neighbour. China in her four years of heroic struggle against foreign invasion has made tremendous advances in political and economic achievements. We are endeavouring to make our country strong and independent, so that our might can be used to further the cause of humanity. We want respect and will give respect. We shall win equality and give equality. For ever and ever through the oncoming centuries we shall believe in the destiny of our race as the torchbearers of peace and non-aggression. Let the oldest and the youngest nations of the Pacific join hands in the great task of enlightening and bettering mankind.



PART III
THE OUTLOOK



CHAPTER XIV

CONFIDENCE AND REALISM

'If a man takes no thought for the future, he will find sorrow in the present'
CONFUCIAN ANALECTS

THE 'China Incident' has been proved to be a protracted warfare. It goes without saying that the independence and prosperity of the Chinese nation depends on its own efforts to resist its bitter enemy. However, from my own observation, and in the light of knowledge of international affairs, I would say that the ultimate outcome of the present war in the Far East will be determined by the development of the international situation. No nation can live and develop in seclusion. Isolationism is a thing of the past. China is in dire need of international assistance and co-operation in her life and death struggle.

Even if the development of the international situation is not in her favour, she will not swerve in her determination to continue her resistance. Conversely, if the international situation develops to such a stage that China could secure not only moral support but also practical assistance, I dare say that Japan's campaign of aggression would collapse in the not distant future. A free and vigorous China would then emerge to contribute tranquillity and safety not only in the Far East but also in the whole Pacific, of which Australia is one of the most rapidly developing members.

China in her struggle is becoming stronger economically, politically, and militarily. New industries have come into existence on co-operative principles, and production by scientific methods has been tremendously increased. Political unity has brought about consolidation, and will pave the way for a new democracy based on the great principles taught by the late founder of the Republic of China, Dr. Sun Yat-sen.

Militarily, China has trained, and is training hundreds of thousands of new soldiers, who have proved themselves worthy sons of this celestial country. During the year 1939, all that Japan has obtained is the occupation of Nanning. Our military achievements have been far superior. During September and October, 1939, we were victorious in battles in North Hunan. In December, 1939, we had a great victory in the northern part of Kwangtung. During March and April, 1940, we defeated the enemy in Wu-Yuan, Sui Yuan Province, while in April and May we succeeded in routing the invader in the Honan and Húpeh Provinces.

The total casualties suffered by the Japanese have been estimated at more than one and a half million. We have no doubt that Japan is at the end of her tether. In order to uplift the morale of her people, Japanese militarists have tried to distract the attention of the Japanese people from the 'China Incident' by misleading them into a more hazardous adventure. In the latter part of September, 1940, Japanese militarists, using traditionally sinister methods, threatened the local authorities in French Indo-China

to submission. Demands for three air bases in Indo-China and the right of passage of 6,000 troops, which have been granted, will facilitate Japan's ultimate occupation of that rich colony, of which she is now in virtual control.

Furthermore, Japan bared her teeth by entering into military agreement with the Axis Powers on the 27th of September, 1940. This will bring the Japanese people to the greatest crisis in her country's modern history. Japanese militarists may emulate the 'wisdom' of Mussolini, who stabbed France in the back prior to her collapse. They overlook the fact that they will dig their own graves by doing so.

The repercussions of the recent Japanese military campaign and affiliation with the Axis Powers, in the United States of America and Great Britain, are too important to be overlooked.

The reply given by Colonel Knox, United States Secretary for the Navy, to a possible challenge alleged to have been issued by Mr. Matsuoka, Japanese Foreign Minister, can be regarded as a positive policy in dealing with Japan's further aggression. Colonel Knox asserted: 'An adequate navy at this time demands that we shall be able to meet our enemies far from our shores and defeat them in both oceans simultaneously, if necessary.'

It is obvious that Japan's entry into this military agreement is aimed at the United States, and threatens that country with a prospective war in order to prevent her from participating in the present warfare, either in the Atlantic or in the Pacific. Japan's baring of her teeth will, however, only

hasten the American Government to take more drastic action to prepare for any eventuality. The United States of America, for the protection of her own interest in the Far East and the Pacific, will do her best to hold in check the only menace in the Pacific—Japanese militarism.

So far as Great Britain is concerned, Japan's military domination of French Indo-China threatens the safety of Hong Kong, Burma, the Straits Settlements and India. Japan's entry into military agreement with the Axis Powers is therefore a gesture of open hostility against the British Empire.

I was glad when the British Government officially announced that the Burma Road would be reopened on the 18th of October, 1940. It is needless for me to stress the significance of this decision, but it contributes greatly to China's efforts of resistance. Japan will be unable to fulfil her dream of military conquest over the Pacific.

In scrutinizing the international situation, we must not forget one of the most powerful nations which will dominate international politics in the near future—that is Soviet Russia. Her economic and military strength after 15 years of continual reconstruction has been increased tremendously. Her recent military adventures have gained half of Poland, dominated strategic points in Finland, incorporated Baltic States and reoccupied Bessarabia without shedding much blood.

While other Powers of Europe and Great Britain are frittering away their national strength, the Kremlin is watching keenly, always ready to secure any opportunity for further gains.

Russia and Japan are traditional enemies. It naturally follows that a weak and collapsed Japan will be advantageous to Russia. By helping China, Russia is helping herself. Japan's military strength has been deteriorating as a result of four years' unsuccessful military campaigning in China, whereas Russia would have every advantage in fighting against Japan if she could eliminate German menace in the west. By a mere glance at the atlas we can see that the aerial bombardment of Tokio from Vladivostock could take place within a few hours. On the other hand, it is humanly impossible for Japan to do any damage to Russia's political and economic centres. If war broke out between Japan and Russia, the Island Empire would be at the latter's mercy.

In conclusion, I would like to impress two points upon the minds of the Government and people of this Commonwealth. First, in modern warfare, which is fought on such a colossal scale, we must not forget there is a battlefield other than the land, the air, and the sea—that is, the diplomatic theatre of warfare. China, as well as the British Empire, has to win diplomatic victory for the survival of her ancient civilization.

The collaboration and mutual assistance, and possibly military alliance, achieved by the two English-speaking Powers, namely, British Empire and the United States of America, together with the Republic of China and possibly Soviet Russia, will undoubtedly bring the end of the reign of terror caused by nazism, fascism and Japanese militarism.

Secondly, China and Australia are content with

their own territories, and have not the slightest desire for territorial aggrandisement. This point needs no reiteration. The international relations between these two nations are based on mutual understanding and traditional cordiality. In time to come these two great nations will set an example which will be followed by other members of the family of nations.

CHAPTER XV

APPEASEMENT MEANS RETREAT

'Words which equally comprehend the near and the ultimate are good words'

MENCIUS

IN speaking of diplomacy one cannot help calling to mind the Italian author, Niccolo Machiavelli, who lived from 1469 to 1527, and preached the doctrine of reality, maintaining that the art of politics consisted in the proper use of the motives of human self-interest.

No student of world politics will be misled by the illusion that in international relations responsible leaders, idealistic though their utterances may be, finally agree to policy opposed to the self-interest of their national trust.

As a matter of fact, the guiding principles of diplomacy have been, and still are, the keen observation of the situation as it stands, and the exploitation of the situation for self-interest. Pessimist or no pessimist, one has to admit this fact. Idealism may formulate the foreign policy of nations in a remote future, but not in the decades immediately before us.

In view of the latest Pacific situation, anyone who follows the current of international affairs is able to apprehend the gravity of the imminent menace to the peace of all the Pacific countries. It is irrefutable that a situation of the utmost gravity originated from the menace of Japanese militarism. Had there been no

militarized Japan with its age-long policy of territorial aggrandizement, there would not be the slightest cause for alarm in the Pacific. That Japan will push toward the South Seas by whatever means may suit her purpose is without doubt. It is only a matter of time.

The Sino-Japanese War, ironically called the 'China Incident,' which has now entered upon its fifth year, has proved to be a complete failure, so far as Japan is concerned, because of the united resistance of the Chinese nation. The war to date has brought Japanese casualties up to about one and three-quarter millions. Since the outbreak of hostilities, in July, 1937, Japan's extraordinary military expenditure has totalled £1,221,500,000 sterling, including £70,000,000 sterling for February and March of the current year. In spite of this tremendous sacrifice of life and the astronomical figures of her financial expenditure, Japan has no hope of winning a final victory. On the other hand, China has been concentrating every effort in building a new nation capable not only of maintaining independence in face of aggression, but also of securing her future prosperity. Consequently the morale of the Japanese has been very much weakened, and Japanese militarists, in order to distract the attention of the people from the 'China Incident,' must endeavour to enter upon another adventure somewhere else, in the hope of making up for their shameful losses in China. Thinking the moment to be advantageous, the Japanese militarists have grasped the opportunity to launch their long-contemplated southward expansion campaign, France



DR H H KUNG
Vice-President of Executive Yuan and concurrently
Minister of Finance



WORKERS OF CO-OPERATIVE UNITS
Above left candle-making, above right, pottery,
below, hand-spinning

having collapsed and Britain being engaged in a life and death struggle. This campaign soothes the pride of the Japanese people, and coincides with their firmly established national policy which was stated explicitly by Baron Tanaka in the famous document which he addressed to the Throne on the 25th July, 1927. There have been no reservations in the claim of the Japanese militarists that the Pacific belongs to Japan. Admiral Baron Osumi remarked recently, 'This Pacific of ours may prove to be ill-named. I know for certain that the future will see some worsening of the situation. Japan must expand in some direction, and it is a common desire of mankind to expand towards heat and light.' Matsuoka, Japan's Foreign Secretary, bluntly stated that 'Oceania' should be open to the immigration of the Asiatic races, by which he, presumably, meant the Japanese. In an article written by Koichiro Ishihara, chairman of the board of directors of the Ishihara Industry and Navigation Company, he unreservedly expressed Japan's ambition to absorb the Netherlands Indies, Malaya, and the Philippines. He writes: 'It is clear that the countries of this vast region are exceedingly fertile and rich in material resources; they have rubber, oil, iron, quinine, bauxite (aluminium), sugar, and other materials that Japan needs.'

This Japanese policy of southward expansion is expressed in the Chinese saying, 'an arrow at the full tension of the bow.' The question arises, 'When will Japan strike?' The experience gained by Japan during her four years' war in China has taught her to be discreet and cautious in her military adventure. Any

campaign which will result in calamitous material losses and sacrifices of life should be avoided. Matsuoka apparently believed it to be more than mere wishful thinking when he stated that this campaign could be achieved by peaceful penetration. However, we have to realize that Japan is a typical example of opportunism. She is watching the development of the war situation with keen eyes, waiting for the moment to draw her sword. Just as Italy threw in her lot with Nazism on the eve of the collapse of France, so will Japan stab the British Empire at the moment of the clarification of the military situation in the Balkans, the Mediterranean and the Middle East, should it happen that Great Britain was not victorious.

This is no hour for complacency. Undue optimism would result in making a muddle of things. Much has been said to the effect that in the event of Japan's advance in the Western Pacific she will unavoidably clash with America's naval policy. That the United States is no friend of Japan is one thing, a naval war between America and Japan is another. So far as the naval strengths of these two countries are concerned, they are fairly evenly matched, though America is slightly the superior. But the main fighting of the prospective naval war between these two countries must be fought in the Japanese home waters of the Western Pacific. America's naval defence line merely extends from Alaska to Honolulu, and thence to the Panama Canal. Beyond these points the Americans have not been greatly concerned with adequate fortifications. The possessions of the United

States which have strategic value in the Western Pacific, such as Guam and the Philippine Islands, are within the reach of the Japanese, Guam being 3,330 nautical miles away from Pearl Harbour, America's naval base at Honolulu, and Manila, the capital city of the Philippine Islands, 4,840 nautical miles from Pearl Harbour. It would be impossible for America to protect these possessions, without preparing for offensive activities.

Therefore, it seems to be reasonable that there have been some proposals for the abandonment of Philippine Islands in 1946, which year marks the Independence of the Philippines. Owing to the deterioration of the European situation, America has had suddenly to build a two-ocean two-fleet navy. It may be assumed that her Pacific naval strength is at the moment not so strong as Japan's, whose navy is intact in spite of four years' war in China. It appears quite safe to say that America, if fighting alone and facing geographical disadvantages, would not have much chance of subduing her potential enemy in the Pacific.

However, U.S.A. is not unaware of the approaching menace of the Axis powers, and never will she flinch from any Japanese intimidation. Rather, is she answering every Japanese move with telling stoutness.

On the 8th March the Lend-and-Lease Bill was passed by the Senate, and three days later signed by the President. On the 13th, the President asked the House of Representatives to appropriate 7,000,000,000 dollars, as a fund for aiding Britain and her Allies. The Bill was passed by the House on the 19th, by the Senate on the 24th.

Three days later, President Roosevelt uttered 'the most daring speech made by any U.S. executive since the World War.' Condemning Nazism as far worse than the former Prussian autocracy, he said that what the Nazis call 'a new order is not new, is not order.' After stressing that America was not a country to be confounded by 'appeasers, defeatists, and backstairs manufacturers of panic,' the President referred to China in these words:

'China likewise has shown the magnificent will of millions of plain people to resist the dismemberment of their nation. China, through Generalissimo Chiang Kai-shek, asks our help. America has said that China shall have our help.'

To advance America's military preparations, the House of Representatives passed the 3,415,000,000 dollars naval supply bill, providing among other things for bases in Hawaii, Samoa, Guam, and the Philippines. It also approved an expenditure of 3,460,000,000 dollars for the construction of a two-ocean navy, and of 434,000,000 dollars for developing aviation.

On the facts which I have stated, we can arrive at a conclusion that the situation is by no means hopeless. Hitherto, Japan has dominated French Indo-China and played Thailand into her hands. However, she is still far away from her dream of the so-called conquest of the Pacific, which can never be realized as long as Singapore stands impregnable. The fortification of Singapore, based on Admiral Lord Jellicoe's recommendation, had its beginning in 1921. Singapore's chief advantage is its geographic

position. It has commercial value as well as strategic importance. An island situated at the tip of the Malaya peninsula, Singapore commands the sea routes northward to the Philippine Islands, China and Japan: westward to Ceylon, the Suez Canal and the Mediterranean ports: southward to Sumatra, New Guinea, Australia and New Zealand. The despatching of Australian troops to, and the reinforcement of the British Navy in Singapore is a telling reaction of the British Empire to Japanese opportunists. To safeguard the Pacific the only means is to have a united front formed by the democratic peoples bordering this common ocean. It is likely that, single-handed, America may not fight Japan in the Western Pacific. Nevertheless, with the combined naval forces of Great Britain, the Dutch East Indies, and that of the United States, I have no doubt that the Japanese menace can be checked. It is hoped that the combined forces of these countries could be mobilized with Singapore as their pivot, so that in the event of a 'Japanese strike' the mad dog of the Pacific would be eventually forced to hara-kari.

I desire to reiterate that to be realistic and to consult one's self-interest is not a fault. But we would be blameworthy if we lacked the understanding of the real situation and adopted a policy without reasonable foresight. Speaking of the united efforts of the democratic peoples in the Pacific, one must not forget the fact that the gallant resistance of the Chinese has greatly weakened the military strength of the international gangster. Had it not been for China's efforts against Japan, the latter's menace would be

far greater, and the situation of the Pacific might have been desperate. True statesmanship has to face the realities, and only with foresight can the interest of the people of this common ocean be secured. This is no time for appeasement, for appeasement means retreat, and to retreat is to perish. Until the outbreak of hostilities between China and Japan, in the year 1937, China adhered to the policy of peace, and yielded to Japan as far as possible in order to avoid a war. This policy was accepted by the Japanese as a sign of weakness, resulting in the Marco Polo Bridge Incident, which led to a major war. Is this current historical fact not sufficient as a lesson to Australia? I commend it for serious contemplation by my readers.

CHAPTER XVI

THE DIPLOMACY OF DECEPTION

Yang Chen, a distinguished scholar who lived A.D. 100, was famed for his integrity. Once he was urged to accept a bribe. The donor said, 'No one will ever know it' To this Yang Chen made the answer: 'Heaven knows it, Earth knows it, you know it, and I know it, how then do you say that no one will know it?'

WHAT strikes me most deeply about the insanity of the present world is the mentality of the aggressor nations, which is as unreasonable and inhuman as it is incredible. Anyone who thinks clearly must have been amazed by the announcement made recently by Mr. Matsuoka, Japanese Foreign Minister, that 'Three great international treaties, namely, the conclusion of the Three-Power Pact with Germany; the recognition of the Nanking regime under the leadership of the traitor Wang Ching-wei as the real Government of China; and the Neutrality Pact with the Soviet—were great achievements made by Japan toward the cause of peace.' In former days diplomats might camouflage bayonets with olive branches. Now, Mr. Matsuoka simply calls the bayonet an olive branch. Believe it or not, he is endeavouring, as the Chinese saying expresses it, to cover the ears and eyes of the whole world with a single hand.

Mr. Kawai, the new Japanese minister to Canberra, is but one example of the Matsuoka type of Japanese diplomat. His utterances were sufficient to establish in every respect that he is an envoy sent by

the aggressor. He challenged the Australian Government and people by saying bluntly, 'not a single person in all Australia can produce one piece of evidence to show that Japan's attitude vis-a-vis this country is aggressive.' This audacious tone must inevitably arouse the feeling of the Australians, who, I am sure, will declare that they are not so ignorant of the real intent and activities of this 'friendly nation.' The evidences which can be produced are so numerous that an attempt to enumerate them would be superfluous. It is sufficient to say that any action taken by Japan, diplomatically or militarily, is, in Japanese eyes, for the cause of peace and the establishment of 'New Order' in the Pacific. Allow me to quote another Chinese saying, which runs as follows: 'He who is afraid of being noticed, steals the bell by covering his own ears.'

Mr. Kawai tries to convince us by asking: 'On what facts do you base your contention that Japan will employ her military might in relation to this country?' Any Australian can tell Mr. Kawai that Australia's first line of defence lies in China, and her second line in Malaya, of which Singapore is the pivot. It is for Australia's safety and interest that these two lines should be intact. Any military action against these lines by any aggressor nation is a hostile action against Australia. The average Australian knows also that his country shares the fate of the British Empire and, therefore, that she has to prosecute the war to the utmost against Germans and Italians, on battlefields thousands of miles away. Could it be said that because Germans and Italians

have not employed their military might in attacking this Commonwealth, Australia should stand aside, watching the war with shrugged shoulders?

Mr. Kawai even tries to blindfold Australia by saying that the present hostilities by Japan in China were started in self-defence. That is the greatest falsehood I have ever heard. To call it childish would be a modest gesture from a diplomat towards his fellow diplomats. Japan has been preparing for the last 70 odd years for territorial aggrandizement against China, which has been considered by the Japanese militarists as a springboard towards the conquest of the whole Pacific. The Mukden incident on the night of September 18, 1931, led to the military occupation by the Japanese of the whole of Manchuria. A negligible incident at the Marco Polo Bridge on the night of the 7th July, 1937, was utilized by the Japanese as an excuse for major action against an ill-prepared neighbour. If these military activities can be termed self-defence, then the tiger can, in truth, be regarded as a benevolent animal.

After the occupation of the whole of Manchuria, the Japanese military campaign took a more vigorous turn. Now, with the coast of China in her hand, and with Hainan in her grasp, she is threatening the safety of French Indo-China, Burma and Singapore. As Dr. Wellington Koo, China's Ambassador to France, remarked, 'History bears testimony to the fact that the ambition for territorial conquests rises in proportion as the means to achieve it grow, just as the human appetite for food increases as the power

of digestion strengthens.' If Singapore should fall, which God forbid, nobody can guarantee that Japan will have 'no intention of moving down on Australia.' I appreciate, indeed, the statement of Sir Frederick Stewart, Minister of Exterior Affairs in the Commonwealth Government, which was an outspoken retort to Mr. Kawai's impudent remarks.

Mr. Kawai made use, very cleverly, of a simile with regard to diplomatic approach towards Japan, which he compared with a strange dog. His own words are as follow: 'When meeting a strange dog, if you approach him with love and friendship as dog lovers do, you are apt to win his trust, and he will respond accordingly.' Unfortunately, that does not apply in a case when the animal is not normal. We have to be vigilant and alert in watching the military activities of the only aggressor facing our common Ocean.

The brief but weighty statement of Mr. Sumner Welles, United States Under-Secretary of State, that 'the United States is far more interested in the deeds of other nations than in any statements their spokesmen might make,' commends itself to our earnest and deep consideration in view of facts regarding which there can be no question.

CHAPTER XVII

CHINA PREPARES FOR PEACE

'Opportunities of time vouchsafed by Heaven are not equal to the advantages of situation afforded by the Earth, the advantages afforded by the Earth do not match the blessing accruing from harmony among men!'

MENCIUS

THE Sino-Japanese war, which is at the beginning of the fifth year, has been proved the longest human conflict on a large scale since the Thirty Years' War, which lasted from 1618 to 1648. It is still dragging on without any prospect of a quick conclusion. The Japanese militarists are fully aware that it may continue for half a century. Unless influenced by international development the belligerents of the Far East will cease to fight only when entirely exhausted.

So far as China is concerned the military danger which confronted her at the beginning of hostilities has now vanished. When Nanking fell into Japanese hands in December, 1937, the dismemberment of China seemed imminent. However, owing to the brilliant leadership of Generalissimo Chiang Kai-shek, who rallied his military forces in the face of tremendous odds and established a stronghold at Hankow, China was able to get on her feet. On the other hand the Japanese militarists did not follow their military successes with swift tactics in the nature of a blitzkrieg. They halted and paused, allowing the Generalissimo a considerable respite. Had the

Japanese militarists smashed their way to Hankow immediately after the occupation of Nanking, success in a military sense might have been achieved. It is worthy of note that Hankow did not fall until the 25th October, 1938. During these ten months, the gallant resistance of the Chinese troops not only aroused the patriotic feeling of the Chinese nation, but also helped China to win the admiration and sympathy of the whole world. After the fall of Hankow, the then seat of the Chinese Government, the main forces of the Chinese army, and all the machinery of production, were, in accordance with plan, moved to the vast West which, because of its geographical situation and its strategic advantages, is invulnerable.

Japan has now lost every hope of 'beating China to her knees.' The strategical blunder of the Japanese militarists after the fall of Nanking determined the military phase of the so-called 'China Incident.' In such a vast territory as China, no decisive battle can be fought. The outcome of the war does not rest solely upon the military issue, but upon economic strength. The popular slogan of the Chinese nation during war is 'Resistance and Reconstruction.' The former implies checking the enemy by force, the latter, rejuvenating the nation by economic means.

History shows us that no war can last forever. All wars come to an end. Both the Hundred Years' War and the Thirty Years' War ultimately collapsed. The present Sino-Japanese war may last half a century, but, even so, there is no reason why we should not contemplate the situation as it should be when peace is restored. The post-war conditions of the last

World War were too deplorable to be forgotten. The economic depression, the enormous amount of unemployment, the general suffering of the people, the disintegration of the commercial and industrial life of the whole world which were the aftermath of that war, are still fresh in our memories. Therefore, China, even during war, is preparing for the peace and security of her people after the war.

Though Japan has occupied China's coast and international seaports, Free China still has a population of 410 million, and possesses unlimited raw material, which is a wonderful potentiality for reconstruction. Largely because of the efforts of the Ministry of Economics, the reconstruction work on a nation-wide level has been enormous. Two comprehensive industrial plans have been drafted by the Ministry; for the duration of the war, and for the post-war period. Both government and private enterprises are included in the two plans, the purpose of which is to utilize government and private resources in a joint drive to make Free China, within a reasonable short period, self-sufficient in the most essential industrial production. Heavy machinery for manufacturing has been imported through the two international routes of the North-West and South-West, so that production on a large scale is made possible. The following figures, quoted from authentic sources, show the great increase of some essential materials and goods produced in China during the war.

	1937	1940
Coal	3,600,000 tons	5,700,000 tons
Iron	31,000 tons	100,000 tons
Copper	400 tons	1,000 tons
Petroleum	34,000 gallons	440,000 gallons
Alcohol	1,800,000 gallons	4,500,000 gallons
Yarn	30,240 bales	54,000 bales
Flour	1,710,000 bags	3,400,000 bags
Soap	99,000 boxes	309,000 boxes
Paper	600 tons	1,800 tons

(The figures for cotton yarn and paper are for factory production, home industry output is not included.)

There is unlimited potentiality in China's reconstructive work. Apart from Japanese militarists, China's real enemies are natural calamities and poverty. If China desires to survive, and if the Chinese nation desires happiness, these two must be conquered. From time immemorial the Yellow River has been China's 'sorrow.' The Hwaiho, the Yangtze and the Sikiang Rivers have also caused floods and famine. Frequent droughts in the northern part of China result in devastation of territory, causing the people therein to die of starvation. In this connection the foresight of Dr. Sun Yat-sen, father of the Republic, is to be admired. Dr. Sun left in his work 'The International Development of China' an elaborate scheme of national reconstruction.

The development of the system of communication, according to Dr. Sun, needs 100,000 miles of railways, 1,000,000 miles of macadam roads, the improvement of existing canals, the construction of new canals and river conservancy, including the regulation of the embankments and channels of the above mentioned rivers. In the second part of his scheme, Dr. Sun advocated the construction of three com-

mercial harbours with a capacity to equal that of New York Harbour. These are to be located in North, Central and South China, and there will be various small commercial and fishing harbours along the coast. The gigantic national reconstruction scheme also includes modern cities with public utilities, to be constructed in suitable centres; the development of water power; the establishment of iron and steel works and cement works on the largest scale, in order to supply the needs of the nation. The exploitation of mineral resources, the development of agricultural and irrigational work, and reafforestation in Central and North China, will undoubtedly make China the richest country of the world.

- Though of necessity the war has interrupted some of the above plans, China has, during the war, built a network of highways and some railways, carried out reafforestation, exploited mineral resources, built factories and increased agricultural production.

And it must be understood that a reconstructed China is not to be achieved at the expense of the liberty and democratic rights of the people, as in Nazi and Fascist controlled States. In this connection I am glad to mention the existence in China during the war, of an inspiring movement which has much to do with the economic life of the Chinese people after the war. This great Movement is the Co-operative Movement, which took root in August, 1938, and was sponsored by Dr. H. H. Kung, Minister for Finance, Madame Chiang Kai-shek, and many other influential people. The main objects of the Co-operative Movement are: First, to provide

work for war refugees who become destitute and homeless, so that they can be self-supporting and render service as citizens should do for the cause of the nation. Second, to increase China's power of resistance by the mobilization of her economic and industrial resources, not only in the rear but also at the front. In the rear the heavy industries which cannot be mobile have been established as far as possible from the battle line. 'Guerilla' industries are operated in the fighting area and even behind Japanese lines. Third, to realize a new social order by the adoption of co-operative principles. We must understand that the co-operative industries already and about to be started will not terminate with the war, but will continue to be an important part of the new economic structure of the New China. The basic principles of the Chinese Industrial Co-operatives include the insistence that every member, except an occasional business man, must participate with manual labour in the process of production; that remuneration must be as level as possible; that the principle of avoiding the employment of hired workers be observed, and that apprentices be paid well and made co-operative members as soon as possible. The members are aware that they share the profit of the production, as they are owners of the unit to which they belong. Exploitation by capitalists has been done away with.

Moreover, this Co-operative Movement does not give blind production. Between units and groups of units there is collaboration and consolidation. There is a comprehensive plan to link all these units into a

workable combination, so that control of production, marketing, and distribution can be scientifically and efficiently achieved; there will be no economic anarchy.

That this great Movement has already brought about material progress for the happiness of the Chinese people can be substantiated by the following facts. When the Movement was started, upon the recommendation of Dr. Kung, the National Government appropriated N.C. \$5,000,000 as initial capital, and in addition a current monthly budget of \$50,000, which was later increased to \$100,000, for administrative and promotional expenses. Now, after less than three years, it produces consumer-goods worth over twenty million dollars National Currency a month. As time goes on this figure will steadily become higher.

It is irrefutable that the economic structure now existing in the world needs reformation. The economic reform that China is making with this Co-operative Movement will pave the way for a new social order whereby the general happiness of the people can be secured.

When China is completely rehabilitated, no aggressor will cause any alarm to the great Chinese nation, because she will be the cornerstone of peace, not only in the Far East, but also in the Pacific and in the world at large.

CHAPTER XVIII

THE CHINESE CONTRIBUTION TO CULTURE

'Things being investigated, knowledge became complete. Their knowledge being complete, their thoughts were sincere. Their thoughts being sincere, their hearts were then rectified. Their hearts being rectified, their persons were cultivated. Their persons being cultivated, their families were regulated. Their families being regulated, their states were rightly governed. Their states being rightly governed, the whole kingdom was made tranquil and happy. From the Son of Heaven down to the mass of the people, all must consider the cultivation of the person, the root of everything besides.'

THE GREAT LEARNING

SINCE the previous chapters were written the international situation has become even more grave. Germany's attack upon Russia, which began, without warning, on the 22nd June, 1941, has brought about a conflict of indescribable magnitude. To keen observers of international politics, this development of the warfare in Europe was not wholly a surprise. I predicted on 10th October, of last year, that Soviet Russia, which was then the virtual partner of the Axis Powers would eventually enter the opposite camp, and become an ally of the British Empire, the United States and the Republic of China.

This development was within my forecast because international morality has entirely collapsed, and need and avarice have become the only consideration of so many rulers and leaders of governments. It is not impossible that this war may sweep over every corner of the world, and thus be literally a World

War. Within three decades we have seen two world wars, separated by an interval of only 21 years. The question naturally arises, 'Why has war come again so soon?' Apart from the political and economical anarchy in international relations, there is a still deeper cause, a root cause.

Human history is largely a record of wars, and to most readers of history it must seem that so long as this earth is inhabited by human beings there will be fighting and bloodshed. Idealists, however, hope, and indeed, think otherwise. The writer is definitely one of them. An ideal can be translated into action. If those fantastic warmongers who aim at destruction of humanity can realize even for only a short period of time their dreams, why should not we, the champions of a higher civilization than that any yet known be hopeful of our dreams coming true?

There have been wars, and we are now facing a greater devastation than ever took place before because of the appalling destructiveness of modern engines of warfare, and the main reason for this is that the people of the various nations have been taught to regard each other with hatred and suspicion.

There has been a wrong interpretation of nationalism and of chivalry, and the people have been blindfolded by ignorance and false teaching. If this root cause of war cannot be extirpated, a succession of wars will interfere with sane international politics, and misery and hardship, and the needless sacrificing of human life will become greater and greater.

In previous chapters I have dwelt upon the part

that China can play towards securing the stability, peace and prosperity of the nations of the Pacific and of the world, because of her material wealth of possessions and her cultural endowments, and I shall now supplement this by pointing out that China's traditional educational aims are the cultural assets not only of the Chinese nation but also of the world at large.

It is to be understood that education in its broad sense does not mean only the training received at school and in colleges. It continues throughout life; indeed 'To live is to learn.' Just as the leaders and rulers of the nations have been able to lead their people, by wrong education, into darkness, training them to be man-slaughtersers, so it is possible that decent and reasonable governments may train their people to follow the ways of peace.

It is recorded in the *Doctrine of Mean*, a book supposed to be written by Tsze-sze, grandson of Confucius, that 'Knowledge, Benevolence and Courage, these three are the virtues universally binding.' To attain these three virtues, and thus to get as near to perfection as possible, has been the invariable goal of both the academic and the social education of the Chinese. An analytic study of these virtues in the concluding chapter of this book may be a useful contribution to the cultural life of the country to which I have been accredited, and to the whole of the Western World.

According to Socrates virtue is knowledge, or is a form of knowledge. A man, in the opinion of Socrates, had only to know what is good to desire it and to pursue it. Hence, Evil is a form of ignor-

ance; the bad man is he who does not know what good is.

I wish to supplement Socrates' definition of knowledge by saying that knowledge is truth; the pursuance of knowledge is equal to the pursuance of truth, which, if worth its name, should be objective. A real truth must be true for everyone, irrespective of birth, sex, creed, class or caste, race or nation. I may add that truth is ever existing and never changing. The opening lines of the first Chapter of the gospel of St. John support my idea of truth:—

'In the beginning was the Word, and the Word was with God, and the Word was God. The same was in the beginning with God. All things were made by him; and without him was not any thing made that was made. In him was life; and the life was the light of men. And the light shineth in darkness; and the darkness comprehended it not.'

Wise men in different ages and of different nations have endeavoured to the utmost in various ways to approach as near as possible the 'Word' or according to my interpretation the 'Truth.' Though their utterances and explanations of truth may differ, truth itself remains the same. There is no greater truth than that the end of human life is to live as happily as possible, and to help others to live as happily and pleasantly as you do. Realising that knowledge is truth and virtue, we must conclude that the acquirement of knowledge is not merely to satisfy personal curiosity and the application of knowledge is not for selfish interests only.

It is said in the *Great Learning*, which is a book transmitted by the Confucian School and forming

the gate by which first learners enter into virtue; 'What the Great Learning teaches, is—to illustrate illustrious virtue; to renovate the people; and to rest in the highest excellence.' The meaning of 'to illustrate illustrious virtue' is to endeavour to discover the knowledge of truth by making one's self more and more illustrious in virtue. When a man is well furnished with knowledge he is considered to be cultured. Then he must proceed to bring about the same result in every other man, until there is not an individual who is not in the same condition as himself. The so-called 'to rest in the highest good' indicates a perseverance in the two previous teachings—self-cultivation and the cultivating of others—till they are perfectly accomplished.

Despite the fact that equality—that human beings are born to be equal—is an artificial and fallacious theory in so far as natural endowments of intelligence and ability are concerned, it is the Confucian philosophy that every man possesses a nature by the cultivation of which he can become a Sage; that, the ordinary man may by strenuous endeavour, render himself worthy of his status as the potential equal of the Sage. One of the passages in *The Doctrine of the Mean*, runs:—

'Some are born with knowledge; some obtain it by study; and some acquire knowledge after a painful feeling of their ignorance. But the knowledge being possessed, it comes to the same thing. Some practice it with a natural ease; some from a desire for its advantages; and some by strenuous effort. But the achievement being made, it comes to the same thing.'

Apprehending the fact of the inequality of man's natural and intellectual endowments, Mencius says, 'Heaven's plan in the production of mankind is this: that they who are first informed should instruct those who are later in being informed, and they who first apprehend principles should instruct those who are slower to do so. I am one of Heaven's people who have first apprehended; I will take these principles and instruct this people in them. If I do not instruct them, who will do so?' This audacious tone of Mencius touches every human heart, and we realize that the essence of the virtue of knowledge is not only its use for self cultivation, but also after the cultivation of self, its use for the cultivating of others.

The Chinese term 'Jen' has been translated into English by different authors as Love, Benevolence, Sympathy, Charity, Humanity, Goodness of Heart, the Highest Virtue, Loving Kindness, Unselfishness, Altruism and the Feeling of Fellowship. None of these terms, however, used singly is comprehensive enough to bring out all the meanings of 'Jen.' The real meaning of this term is 'Man.' The Chinese character for 'Jen' conveys the idea of two men. Therefore, 'Jen' is a high virtue regulating the ideal relations between man and man. Rendering it into English, I should say that benevolence is the characteristic element of humanity.

Tzu-Kung, one of the disciples of Confucius, asked if the Master could give him one word to serve as a rule of life. The Master said: 'Would not "Reciprocity" be such a word? What you do

not wish others to do to you, do not do unto others."

This teaching of 'Jen' is less striking in its negative than in its positive and Christian form, but it differs from the Christian teaching of love, in that it emphasizes self-examination as a guide to reasonable conduct, while the latter lacks this significance.

Furthermore, this word 'Jen' teaches us to start from near to far, from easy to difficult, as well as from within to without. The observance of Filial Piety to our parents, reverence to our elders, and love for our own children, is the first step towards loving others. By extending this love and reverence still further, one may achieve the virtue of 'Jen.' In the Works of Mencius, there is the following passage which speaks for itself:—

"Treat with the reverence due to age the elders in your own family, so that the elders in the families of others shall be similarly treated; treat with the kindness due to youth the young in your own family, so that the young in the families of others shall be similarly treated—do this, and the Empire may be made to go round in your palm. . ."

With this willing sympathy towards mankind, a true Confucianist will not only endeavour to rectify his own conduct, but also aim at the rectification of that of others. In the Analects, Confucius says 'Now the man of perfect virtue, wishing to be established himself, seeks also to establish others; wishing to be enlarged himself, he seeks also to enlarge others.'

Tzu-Kung addressing Confucius asked, 'Master, are you a Sage?' Confucius answered, 'Nay, that I cannot say. I am never weary of learning, I am

'always ready to teach; so much I can say of myself.' 'Master' replied Tzu-Kung, 'you are never weary of learning—that shows how wise you are; you are always ready to teach—that shows how loving you are. Endowed as you are with Love and Wisdom—Master, in very truth you are a Sage!'

Confucius had a brave heart and noble sympathies towards human beings. In the social and political chaos of his lifetime, he bore the responsibility of awakening the people. 'It is impossible,' he said, 'to withdraw from the world and associate with birds and beasts that have no affinity with us; with whom should I associate but with suffering people? The disorder that prevails is what requires my efforts.' He would never abandon the cause of the people; defeated he might be, but he would be true to his humane and righteous mission.

In practising the teaching of benevolence, or the virtue of 'Jen,' one has to possess the spirit of valour. In the Analects, Confucius says, 'The determined scholar and man of virtue will not seek to live at the expense of injuring his virtue of "Jen." He will even sacrifice his life to preserve his virtue complete.'

As to the way in which the virtue of 'Jen' manifests itself in action, Confucius says in the Analects: 'In the domestic relationships it is shown in the maintenance of a balance between familiarity and reserve; in the management of affairs, it is shown in courtesy; in general intercourse with mankind it is shown in loyalty and good faith. Even when contact is made with uncivilized peoples, kindly sympathy, or "Jen," must not be withheld.' It coin-

cides with the Sage's famous and oft quoted remark, 'Within the four seas'—supposed to be the boundaries of the known world—'all are brothers.' Narrow nationalism and racial prejudice are unknown to Confucianism.

In *Laches* we find Plato's discussion of the virtue of courage. It is a dialogue between Socrates and two generals, Nicias and Laches, the one fairly cultivated intellectually, the other a simple-minded, blunt soldier. The initial tentative definition of courage is put into the mouth of the simple-minded soldier, Laches: 'He is courageous who remains at his post'—a conception we should expect of a competent fighting man. Later you will find that the simple-minded soldier, recoiling before the devastating questions of Socrates, is forced to change his position: 'Courage is a sort of endurance of the soul'—an endurance not only in the military sense, like keeping at one's post, but in perils by sea, in disease, poverty, politics, pain. A transition has been made, at least by implication, from physical valour to fortitude on the spiritual plane. And then Nicias suggests that courage is a kind of wisdom. Courage is the knowledge of that which inspires fear or confidence in war, or in anything. The truly brave man is the man who knows, in all the situations of life, what is and what is not a proper object of fear. From this point the dialectic leads to the conclusion that fortitude is indistinguishable from knowledge of good and evil in general, so that the attempt to define courage as a separate virtue is abortive.

It is remarkable to find similarity in the idea of

the virtue of courage between the east and west. In Mencius we find an interpretation of courage as not only physical and mental endurance, but also as a virtue grounded on awareness of righteousness in oneself. If one fails to find uprightness in his heart, he will fear even a single coarsely dressed plēbēīan who threatens to attack him; but if, when he examines his own heart he discovers uprightness then he will straightway fall upon the enemy, though it numbered thousands or tens of thousands.

Mencius goes on to teach that real courage does not mean animal stubbornness or unthinking passionate ruthlessness. Rather it must be coupled with an activity of the higher mental faculty, and he interprets this mental faculty as imperturbability of the mind. In order to achieve this imperturbability of the mind, Mencius says 'I am skilful in nourishing my vast, flowing *chi*.' This *chi*, or 'passion nature' as Legge renders the term, or 'vital spirit' as Julien translates it, or sensibility, 'the seat of all the appetites and passions' as Cuvreur interprets it, holds an extremely important place in Mencius's idea of mental imperturbability.

This passion nature according to Mencius 'is exceedingly great and exceedingly strong. Being nourished by rectitude and sustaining no injury, it fills up all between heaven and earth.' With the mastery of this passion nature, one can be a great man, according to Mencius's definition. The conduct of such a man is 'when he obtains his desire for office, to practice his principles for the good of the people; and when that desire is disappointed, to

practice them alone; to be above the power of riches and honours to make dissipated, of poverty and mean condition to make swerve from principle, and of power and force to make bend—these characteristics constitute the great man.'

Thus it is plain that these three high virtues, knowledge, benevolence and courage are fundamentally interrelated. Knowledge without benevolence is a sterile or a dangerous thing, without courage it can never be translated into practice. Benevolence without knowledge is incapable of transmitting itself into right action, and without courage it cannot be applied to the full of its essence. Courage is intimately associated with knowledge, and without benevolence a courageous man would be little better than a beast.

Although it seems to be most unlikely that the world can be forever exempt from war, yet there is no reason to be pessimistic. War is made by man not man by war. It naturally follows that it is up to man who makes war to convert it. I am of the deep conviction that only by the adoption of the right form of education with its attending aim of cultivating ideal citizenship strictly adhering to the three great virtues, there is all possibility of securing a peace and civilization which will bring happiness to our posterity.

PART IV
THE DIPLOMATIC ASPECT

CHAPTER XIX
THE DIPLOMAT

'On entering a country, inquire what is forbidden; on entering a village, inquire what are the customs.'

LI-CHI—*'The Book of Rites'*

AFTER passing the competitive Higher Civil Service Examination for diplomatic and consular services in 1933, I consulted a friend of mine about my prospective career. I was asked, 'Which do you prefer to be, a champagne diplomat or a book-worm diplomat?' 'Both,' was my answer.

To my mind diplomacy is an art, the purpose of which is to uplift the prestige and safeguard the interests of the nation, while avoiding, as far as possible, exciting the antagonism and ill-feeling of others. I agree with Daniele Varè who says in *The Handbook of the Perfect Diplomat* that outside the special field of foreign politics we are all diplomats.

To live is an art. In every aspect of life it is wise to avoid friction in contact with fellow beings, for it is always advantageous to do so. When one visits a restaurant one naturally desires to get the best food. But if one orders a course of fish by saying simply, 'Whiting,' one may not get the best available whiting; indeed, one may be given a stale fish. Suppose one is not too self-conceited to request the advice of the waiter, he may respond by suggesting the advisability of choosing some other fish that is really fresh and excellent. Diplomacy produces dividends, whether in a restaurant or in a Legation.

The art of living involves the practice of deliberately giving of pleasure to others. Civility creates reciprocal civility. To bid 'Good morning' pleasantly to one's neighbours, to pay compliments and greetings to one's friends and to express appreciation of the dinner prepared by one's wife, are examples of the small diplomacies which unfailingly achieve a happy atmosphere wherein a harmonious form of existence is made possible.

However, to be an accomplished diplomat one must not only possess certain outstanding and agreeable faculties, one must cultivate those faculties to the utmost extent possible. The ideal diplomat is not necessarily the ambassador or the minister. Just as the sergeant-major is looked on as an infallible guide on orders and discipline—an army police, a jovial host, an administrator, a compère, a master of ceremonies and a model soldier—the ideal diplomat may be the secretary, the attachè, or the consul who has been in his service for many years.

In this connection, the five qualifications laid down by the Ministry of Foreign Affairs of the Chinese Government as a guide to the choice of candidates for consuls and diplomats are worthy of note. The candidate must be healthy. Health does not only mean freedom from disease. It implies soundness both physical and mental. Although the diplomat need not be an athlete, yet in these days he must be in such excellent form that he can stand the strenuous task confronting him. He is mentally healthy because he shows no eccentricity. To be cynical or fantastic would deprive him of at

least half his value as a diplomat. To look upon life as it is and to take things as they are should be his rule. Yang Chu, who lived about 400 B.C., discussing the shortness of the span of life and the inevitability of death, once said, 'As life is ours we must bear it, yet scorn it, get what pleasure we can out of it and wait till we die. When death draws near, we must scorn it, but bear it; look where it is leading us and go on till the end. Scorn everything, bear everything. A little sooner, or a little later, does it matter?' The diplomat needs to digest the essence of this wise teaching.

It is said that the diplomat is trained strictly to observe etiquette. Sir John Jordan, when he was British Minister to China, though he dined alone on one hot summer evening in a Chinese temple far away from the city, wore a dinner-jacket with a black tie. He may have gone to an extreme, but he was right in doing so because a good appearance is very necessary to a diplomat. To be good-looking, especially good-looking in a feminine sense, is one thing, to be handsome is another. A young man of about twenty may be nice to look at but he is definitely not handsome. A man can be handsome only when he reaches masculine maturity, both physically and intellectually. If he is not born with an offensive or disfigured face, the diplomat may become handsome by the strict observance of the principles of propriety, dignity and kindness. He should not worry about the advance of age. His guiding motto should be, 'grow old gracefully.' To become old is natural, but to grow old with bent

shoulders, clumsy hands, bow legs and swollen eyelids is ugly indeed. Moreover, do not let your heart grow old as your age declines. If you are out of pace with the young and much too behind the time, you have only yourself to blame. Confucius once said, 'He who grows old and is of no use is a thief of the community.' What an admonition!

The diplomat must be on guard that he should be like a Chinese painting of an old pine, tall, magnificent and stately. In his daily life he should take much notice of his demeanor, and be pleasing and refined. Little things such as shaking hands, the way he addresses people, the manner in which he speaks, the gait at which he makes his pace, all need cultivation. Walking down a staircase, for instance, he need not watch every step lest he should fall. At the top of the staircase he has a glance at the steps, then proceeds steadily and looks forward confidently, thus maintaining balance of body and achieving a graceful deportment.

With regard to attire, it is not necessary to wear very expensive suits, but he should have a fine taste and a sense of colour. The tint of his tie, if wrongly chosen, will make him look queer. So will the colour and shade of his hat and shoes.

The diplomat may not be a linguist, but he must be able to use, both in speaking and writing, one or two languages other than his own. As mutual understanding comes from free expression of thoughts, the lack of common means of conversation can hardly bring two men together. It is frequently seen that owing to the divergence of dialects there exists a

wall of steel between people who, if they spoke a common language, would be good friends. Suspicion, misunderstanding, prejudice and even hatred are sometimes caused by the difference of the tongue. If the diplomat desires to be successful in his mission he must be equally able and willing to associate intimately with the people of the country to which he is accredited.

The diplomat must be an intelligent man. He must have the air of a scholar. Needless to say he should have a profound knowledge of diplomatic practice, be well acquainted with law, particularly international law, possessed with a knowledge of history, particularly political and diplomatic history, and geography. It brings to my memory an incident when a Consul-General pleaded on behalf of his Foreign Minister who had aroused the feeling of the Australians by stating bluntly that Oceania should be opened to the migration of Asiatic races. The Consul-General tried to minimize the seriousness of the statement by explaining that his Minister was a diplomat but not a geographer. What a good lawyer! I wonder if the Minister was pleased with this argument?

The diplomat must also have a keen interest in literature, arts and music, which will make him more refined both in language and thought. Furthermore, he should follow and understand the tendency and taste, no matter how meaningless, of the public. At the dinner table he may be seated beside a lady who is a movie fan. He may be required to chat about

films, and the names of the leading stars should come easily to his lips.

The character of the diplomat opens serious discussion. It is often said that the diplomat is trained to speak with camouflage and tactics which necessarily distort his real intent. There is no doubt of the occasional need of shrewdness in diplomatic language. But the diplomat is foolish to be cunning because the cunning man seeks his gratification without regard to others. He must not get into the habit of twisting facts, of deceiving the public and of attempting to utilize others to pull the chestnuts out of the fire. People may be trapped once, but not twice. Therefore, to be honest and sincere, to my mind, is one of the most important elements in the character of the diplomat. With honesty and sincerity he can win confidence and friendship from the people and the government of the country to which he is accredited.

In dealing with people the true diplomat is always natural and sociable. Humility should form a part of his character as it is opposed to arrogance and presumption. He is humble but not submissive. He may carry his humble air about with him, but he must not put on his submissive air to anyone with whom he comes into contact. He is modest, but not bashful or diffident. One of the teachings of Lao Tzŭ with regard to modesty is as convincing as it is wise: 'One who displays oneself does not shine. One who justifies oneself has no glory. One who boasts of one's own ability has no merit. One who parades one's own success will not endure.'

The diplomat, as a distinguished guest of a foreign

country which extends to him every appropriate privilege and honour, must deem it his obligation not to embarrass the government and people of that country. He is not so concerned with what he should say or do, as with what he should not say or do. Very often he should be discreet and reserved. Keeping quiet on many occasions would be his safest policy.

One of the major duties of the diplomat is to have sincere sympathy with the foreign country where he is stationed. No sympathy is too deep. Especially when people are in peril they need more sympathy than usual. Sympathy of words is not as valuable as sympathy of action. In this connection I desire to mention the beginning of the Chinese Industrial Co-operative Movement and the part played by Sir Archibald Clark-Kerr, the British Ambassador to China. At the end of 1937, following the fall of Shanghai, at least 80% of the factories and workshops in and near that metropolis had been destroyed or expropriated by the Japanese.

The Shanghai-Wusih region was the nerve centre of Chinese industry. About 70% of China's total modern industrial plant was destroyed, immobilized or taken over by the enemy when this area was occupied. After the fall of Hankow and Canton, China had lost at least 90% of her modern industrial bases. Her two million skilled factory workers were nearly all destitute. The economic disorder seemed more grave than foreign invasion.

But a few genii came to the rescue. Rewi Alley, a New Zealander, Chief Factory Inspector of the Shanghai Municipal Council, Lu Kuang-mien, a

co-operative organizer of long experience, Huber S. Liang, Dean of the Department of Journalists of Yenching University in Peiping, Hsu Singloh, the eminent banker, and some others sowed the first seed of the wartime Industrial Co-operative Movement. A technical plan was drawn up but it would never have been put into practice without the willing sympathy of the British Ambassador. He presented the plan to Madame Chiang Kai-shek and at the same time recommended that Rewi Alley be invited to organize this Movement. With the approval of Madame Chiang and the enthusiastic support of Dr. H. H. Kung, Minister of Finance and then President of the Executive Yuan, Rewi Alley was given a chance to work out this gigantic plan. The Chinese Industrial Co-operative Movement was thus organized in Hankow in July, and formally inaugurated on 5th August, 1938. The Movement is making tremendous strides and the country has greatly benefited. No tribute would be too high to pay to His Excellency, Sir Archibald Clark-Kerr.

The career of the diplomat, no matter how spectacular and picturesque it might be, must come to an end which may not be pleasant. In Great Britain a Regimental Sergeant-Major has to retire at the age of forty-five, on a maximum pension of £2/15/- per week. With this meagre means of sustenance many a retired Regimental Sergeant-Major has to find some sort of civil work to eke out his pension. For the super soldier and cream of the British Army it is a sad ending. Daniele Varè in *The Handbook of the Perfect Diplomat* gives a

deeper sentimental touch to the life of the diplomat, when he says: 'When a diplomat comes home, he finds that he is out of touch with his own country. His friends have been used to doing without him. The women he might have loved (and who might have loved him) have found other husbands and lovers. At the Club the young men ask each other who the old gentleman with grey hair may be.'

After this dissertation on diplomats and diplomacy, and as China and Australia have just decided to exchange diplomatic envoys, it may be appropriate in the chapter which follows to give short biographical sketches of Dr. Quo Tai-chi, the new Foreign Minister of China, who has a long and distinguished diplomatic career, of Dr. Hsu Mo, the first Chinese Minister to Australia, and of Sir Frederic Eggleston, the first Australian Minister to China.

DIPLOMATIC PERSONAGES

Dr. Quo Tai-chi

DR. QUO TAI-CHI, newly appointed Minister of Foreign Affairs of the Republic of China, until recently China's Ambassador to the Court of St. James, is regarded both in China and abroad as one of China's most outstanding diplomats, a reputation he has gained through many years of experience in high diplomatic posts.

Dr. Quo was born in 1888 in Hupeh Province. According to the traditions of the time, he received his early education from his father. His brilliance, however, was outstanding, and his talents as a scholar resulted in his being sent by the Government to the United States in the year 1903, which was regarded in those days as a rare honour. Dr. Quo studied first at the Easthampton High School, later at the Willeston Seminary, and finally at the University of Pennsylvania in Philadelphia.

Dr. Quo's fluency in foreign languages asserted itself in his college days, and he was appointed editor of *The Pennsylvanian*, the University publication, an honour which few foreign students attending American universities have ever enjoyed. Later, he graduated with honours, acquiring the degree of B.S. in Political Science, and was elected to the honorary society of Phi Beta Kappa.

Returning to China in 1912, Dr. Quo immediately entered into politics. From 1912 to 1917, he was



DR QUO TAI-CHI



DR WANG CHUNG-HUI

The former Minister of Foreign Affairs, recently appointed Secretary-General of the Supreme Council of National Defence Dr. Wang, a world known jurist was Judge of the Permanent Court of International Justice (1931-1934)

Secretary to Vice-President Li Yuan-hung, and from 1916-17 held the additional post of Counsellor to the Ministry of Foreign Affairs.

In 1917 Dr. Quo became the Secretary of Dr. Sun Yat-sen, The Father of the Republic of China, who had rallied China's republican forces in Canton. Here his aptitude was at once recognized, and in 1919, less than two years afterwards, he was sent to the historic Paris Peace Conference as technical delegate. In 1921 he was appointed Director of the Publicity Bureau of the Ministry of Foreign Affairs. Two years later he was promoted to the post of Vice-Minister of Foreign Affairs.

From 1923 to 1927, Dr. Quo was occupied to a lesser degree in the Government, but more deeply engrossed in educational activities. While not severing his connection with the Government, he assisted or served on the staffs of several Universities. When in April-May, 1927, the National Government was established by General Chiang Kai-shek in Nanking, Dr. Quo became Vice-Minister of Foreign Affairs, a post he held for two years. These two years were replete with delicate relations with foreign powers, and Dr. Quo assisted materially in overcoming obstacles that were encountered. In 1932, he stepped forward again to take a leading role in the negotiations bringing to an end the Sino-Japanese War of 1932 at Shanghai. Later in the same years he was appointed Minister, and, in 1935, Ambassador to Great Britain.

During his past seven years in Europe, Dr. Quo, with Dr. Victor Hoo and Dr. Wellington Koo, has

served as one of the leading Chinese delegates to the League of Nations assemblies and to other International Conferences. His presentation of China's cause in regard to the present hostilities has added lustre to his renown as a diplomat and an orator.

Gifted with high intelligence and intellect, and possessing a thorough knowledge of the finer arts of diplomacy, Dr. Quo will serve his country in his new ministerial post to the best of his capacity, bringing to bear his ability for the cause of the Nation, which is fighting for genuine democracy and world peace, having as concomitants, honour, justice, and humanity.

Dr. Hsu Mo

Dr. Hsu Mo, China's First Envoy Extraordinary and Minister Plenipotentiary to Australia, is one of the most outstanding diplomats that China has produced. That the Chinese Government has made this wise choice, and that such an important post has been filled by this distinguished personage, is a further manifestation of the earnest desire shared by both China and Australia for better understanding and closer cordiality.

Dr. Hsu was born forty-nine years ago in the city of Soochow, which is famed for its picturesque natural scenery. The city is also known as the Venice of China, and the popular saying, 'As Heaven is above, so are Soochow and Hangchow on earth,' pays a considerable tribute to the beauty and magnificence of this ancient metropolis which is often compared with its sister city Hangchow, as is Melbourne with Sydney.

During his youth Dr. Hsu received his early Chinese tuition at home and finished his middle school education in Shanghai. As a young man of twenty he entered the Law College of the Pei-Yang University at Tientsin, and was graduated with LL.B. degree at the age of twenty-four. The following year (1917) saw him teaching English and law at the Yangchow Middle School, Kiangsu Province, until 1918. In 1919 he was awarded a judgeship by the Ministry of Justice of the Peking Government and received a certificate of exemption from examinations for that post. Dr. Hsu, however, qualified himself as a worthy candidate for diplomatic service by passing the diplomatic and consular service examinations with honours in the same year.

He began his diplomatic career when he served as an Attaché to the Chinese Legation at Washington, and, in the meantime, as Secretary to the Chinese Delegation to the Washington Conference, 1920-1922. In spite of heavy secretarial work he was able to find time to study law and political science at George Washington University, and graduated with a LL.M. degree in 1922. Upon his return to China in 1922 he was appointed Professor of Law and Political Science at Nan-Kai University at Tientsin, and continued to hold that position until 1926, in which year he became a member of the Chinese Bar Association at Tientsin and acted as the chief editor of the *Yi Shih Pao* (Social Welfare), Tientsin.

In 1926 Generalissimo Chiang Kai-shek led his northern expedition against the war-lords and the revolutionary movement swept through every corner

of the country. This movement was in great need of men of outstanding ability and it was only natural that Dr. Hsu, one of the most brilliant scholars of the day, should come to the fore. He was appointed Judge to the Shanghai Provisional Court, 1927; President of the District Court of Chinkiang, Kiangsu Province, in the latter part of the same year; Counsellor and Director of the International Affairs Department of the Ministry of Foreign Affairs, 1928; Director of the European-American Department of the same Ministry, 1928-1931; concurrently Director of the Asiatic Department, 1931; also concurrently, Commissioner of Foreign Affairs for Kiangsu Province, 1929; Administrative Vice-Minister for Foreign Affairs, 1932; and Political Vice-Minister for Foreign Affairs, from 1932 to the present time.

Dr. Hsu has been the chief examiner of the highest civil service examination for diplomatic and consular service since 1931, which year marked the beginning of the practice of this competitive examination under the charge of the Examination Yuan of the National Government. In 1933 the writer participated in these examinations, which had three successive stages, the first two being written and the last oral. More than two hundred and sixty university graduates or those with equivalent qualifications took part. Twenty-five passed the first examination, but only five succeeded in the second contest. At the oral examination the writer, as head of the list with the highest marks, had the privilege of being the first to receive audience with Dr. Hsu.

The writer joined the Foreign Ministry in 1933 and then had further personal contacts with Dr. Hsu. A man of small build, with broad forehead, penetrating but mild looks, and youthful countenance which never betrays his age, Dr. Hsu is a typical Chinese scholar. Very often he gave speeches at the memorial service in honour of the Father of the Republic, which took place every Monday morning, and I realized his eloquence, his logical and reasoning mind, and his profound knowledge of internal and international politics.

In 1936 the writer was appointed as Vice-Consul for China in Australia, and before departing went to bid farewell to the Vice-Minister. As requested, Dr. Hsu gave me this valuable advice which is still kept in my memory: 'Do try to understand the people of the country to which you are accredited and to learn to use their language as fluently as your own.'

Diplomats were said to live a life of their own. That is a thing of the past. They would fail in their mission if they neglect the importance of mutual understanding. Dr. Hsu will, on assumption of his office, prove himself to be an invaluable bridge connecting China with Australia.

Sir Frederic Eggleston

Sir Frederic William Eggleston was born at Brunswick, a suburb of Melbourne, on 17th October, 1875, and is the son of the late John Waterhouse Eggleston. He was educated at Wesley College, Melbourne, Leys School, Cambridge, England, and passed his Law Course at the

University of Melbourne, securing the Supreme Court Prize in 1897, in which year he was admitted as a barrister and solicitor of the Supreme Court of Victoria. He has practised law in Melbourne as a member of the firm of Eggleston, Eggleston & Lee. He married in 1904 Miss Louisa Augusta Henriques, daughter of F. A. Henriques, but is now a widower. He has two sons and a daughter.

He served in the European War with the Australian Imperial Force from 1916 to 1918 and was a member of the staff of the Australian delegation to the Peace Conference at Paris in 1919. He was a member of the Victorian Parliament from 1920 to 1927 and held the offices of Assistant-Treasurer, Attorney-General, Solicitor-General, Minister of Railways, Minister of Water Supply, Minister for Electricity. He was later appointed by the Commonwealth Government Chairman of the Commonwealth Grants Commission, a body adjusting financial relations between the Commonwealth of Australia and the States in the Federation. This body is the nearest analogy in Australia to the Interstate Commerce Commission in U.S.A. and recommends grants to States in the order of £2,000,000 annually, after an exhaustive review of State and Commonwealth finances. In 1939 Sir Frederic was appointed by the Commonwealth Government as the Chairman of a Committee to enquire into the amalgamation of the territory of Papua and the mandated territory of New Guinea and to select a capital site for New Guinea.

Sir Frederic Eggleston is director of the Victorian

branch of The Mutual Life and Citizens' Assurance Company Limited and Waygood-Otis (Aust.) Pty. Ltd., and is also a member of the Faculty of Law, University of Melbourne, Council of Legal Education, Member of the Pacific Council of the Institute of Pacific Relations and Chairman of the Melbourne branch of the Australian Institute of International Affairs. He is also a trustee of the Melbourne Public Library and National Gallery.

Sir Frederic Eggleston won the prize in the final solicitors' examination, the Bowen Prize for an English Essay and the Harbison-Higginbotham Scholarship for Economic and Political Research.

Among the literary works which distinguish him as an author the following books are particularly popular in Australia: *Public Life of George Swinburne* (A Victorian Minister); *State Socialism in Victoria*, 1932; *Search for a Social Philosophy*, 1941.

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